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Supreme Court, U.S.
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1988

CBS INC.,

Petitioner,

—v.—

STEPHEN M. SILVERMAN,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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QUESTIONS PRESENTED FOR REVIEW

A panel of the United States Court of Appeals for the Second Circuit held that CBS had abandoned its trademarks in "Amos 'N' Andy" and associated marks when, in direct response to significant adverse public opinion, CBS withdrew the Amos 'N' Andy radio and television programs from commercial use. The Second Circuit reversed, in pertinent part, a judgment of the District Court for the Southern District of New York, which declared that CBS Inc. had not abandoned its trademarks in the Amos 'N' Andy radio and television series because no intent to abandon the trademarks had been demonstrated. In reversing the District Court, the Second Circuit effectively ignored this Court's and its own precedent that actual intent to abandon must be found before a trademark can be deemed abandoned.

The Court of Appeals decision presents the following questions:

1. Should a party be denied trademark protection if it withdraws its trademark from commercial use in response to adverse public opinion where there is clearly no intent to abandon the trademark?

2. Did the Second Circuit ignore applicable state law in a diversity case when it held that voluntary intent to abandon a trademark was not necessary to abandonment of the trademark, thus creating a new state law standard for determining when abandonment of trademarks has taken place?

PARTIES TO THE ACTION

Petitioner, defendant below, is CBS Inc. ("CBS"). A list of CBS's subsidiaries is set forth in the appendix to this petition for a writ of certiorari ("App."), at App. 64a.

The respondent, plaintiff below, is Stephen M. Silverman.

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PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

Petitioner, CBS Inc., respectfully requests that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Second Circuit entered on February 6, 1989, on the grounds that the Court of Appeals decided a federal question in a way conflicting with applicable decisions of this Court, that the Court of Appeals rendered a decision in conflict with the decisions of other federal Courts of Appeals on the same matter, and that the Court of Appeals departed from the accepted and usual course of judicial proceedings so as to call for an exercise of this Court's power of supervision.

OPINIONS BELOW

The opinion of the United States Court of Appeals for the Second Circuit is reproduced at App. 3a. The pertinent deci-

sions of the District Court, which are reported at *Silverman v. CBS Inc.*, 632 F. Supp. 1344 (S.D.N.Y. 1986) and 666 F. Supp. 575 (S.D.N.Y. 1987), are reproduced at App. 27a and 51a.

STATEMENT OF JURISDICTIONAL GROUNDS

The judgment of the Court of Appeals was entered on February 6, 1989. This Court has jurisdiction to review the judgment pursuant to 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

The relevant provisions of the Federal Trademark Act of 1946 (the "Lanham Act"), as amended, 15 U.S.C. §§ 1051 *et seq.*, are reproduced at App. 63a.

STATEMENT OF THE CASE

CBS Inc. stopped commercial exploitation of the "Amos 'N' Andy" radio and television series and the associated trademarks because of and in deference to adverse public reaction to the depiction of blacks in those series. That adverse public reaction continues today.

As recently as November 16, 1988, Congressman Robert H. Michel, the House Republican leader, was forced to apologize publicly for making nostalgic remarks about the Amos 'N' Andy radio programs on a national television program. *The New York Times*, November 17, 1988, p. B13 (App. 65a). On March 16, 1989, the syndicated television program *Entertainment Tonight* aired a discussion of Amos 'N' Andy and this case. The Rev. Jesse Jackson was interviewed and said, in part, that Amos 'N' Andy was "racist and demeaning and enforced the ugliest of stereotypes." The N.A.A.C.P. was quoted as saying that it "will do everything it can to prevent [the] production" of plaintiff's musical play.

The main question presented here is whether, as the District Court said:

> It would be offensive to basic precepts of fairness and justice to penalize CBS, by stripping it of its trademark rights, merely because it succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interests of the community.

666 F. Supp. at 581 (App. 61a).

The extremely popular Amos 'N' Andy radio program series began in 1928 and the rights to it were purchased by CBS in 1948, which continued the radio program until 1955. CBS also created and broadcast the Amos 'N' Andy television program beginning in 1951. App. 28a.

In response to significant and vocal opposition from numerous civil rights groups, CBS decided to withdraw the Amos 'N' Andy television series from further commercial distribution in 1964. App. 52a.

CBS did not, however, by such voluntary withdrawal, abandon its trademarks in the Amos 'N' Andy programs. To the contrary, for the next twenty years CBS constantly policed its rights. CBS actively took steps to protect its rights in the properties by registering copyrights in the television programs in 1978 and 1980 and renewing them thereafter. App. 61a, 54a.

CBS also licensed the Amos 'N' Andy programs and trademarks for educational, historical or documentary uses. App. 53a. In such cases, CBS did demand and receive a license fee for the use of the Amos 'N' Andy properties.

In addition to those uses of the trademarks, CBS continually reevaluated possible additional uses for the properties associated with the trademarks. App. 53a. For example, as testified to at trial, CBS explored releasing the television programs on cable television, but decided against that proposal based upon the continued adverse public reaction to Amos 'N' Andy.

In short, as the District Court found, during the period of suspension of commercial exploitation, CBS never intended to abandon the Amos 'N' Andy trademarks. App. 59a.

On this record, without challenging the District Court's factual findings, the Court of Appeals reversed and voided CBS's trademarks. The Court of Appeals held the trademarks to be abandoned because CBS did not have concrete plans to resume "commercial" use of the trademarks. App. 17a. CBS was thereby penalized for making only limited, responsible use of its trademarks, a result prohibited by this Court's express precedents.

In reversing, the Court of Appeals disregarded the well-settled rule that trademark abandonment, both under federal and state law, requires strict proof of an actual intent to abandon. The Second Circuit applied a new standard requiring a trademark owner that has suspended commercial use to show (1) "plans to resume use in the reasonably foreseeable future when the conditions requiring suspension abate," as well as (2) reasonable grounds for the suspension of use. App. 16a. This holding followed a recent Fifth Circuit case that also departed from the well-established "intent to abandon" standard in favor of a standard requiring "intent to resume use" to avoid abandonment.

Supreme Court and other federal and state trademark nonuse cases require only a showing of reasonable grounds for suspension of use of the mark to rebut a claim of abandonment based on nonuse. Consequently, the Court of Appeals' additional requirement of affirmative plans to resume use deviated from controlling precedent.

The Court of Appeals also departed from a large and controlling body of precedent in holding that "commercial" use, as distinct from use "in commerce", was necessary to preserve CBS's trademarks. It is well settled that trademarks can be established and maintained for non-profit uses.

Finally, because state law applies to the subject trademarks, which were not federally registered, the Court of Appeals also erred under *Erie* when it diverged from existing state precedents. New York state law requires proof of an actual intent to abandon, the standard rejected by the Court of Appeals here.

THE FACTS OF THE CASE

Most of the facts described here were found by the District Court. The remainder are based on uncontradicted evidence submitted to the District Court. The District Court's factual findings were not disturbed on appeal.

Beginning in 1928, Freeman F. Gosden and Charles J. Correll created and broadcast a radio program known as "The Amos 'N' Andy Show". The program quickly became one of the most popular shows on radio. App. 28a.

By contract dated August 19, 1948, Gosden and Correll assigned all of their rights in the Amos 'N' Andy programs, including any goodwill attached to their creations, to CBS. CBS broadcast "The Amos 'N' Andy Show" on radio until 1955. App. 28a.

In 1951, CBS began broadcasting the television series entitled "The Amos 'N' Andy Show". The television show continued in non-network syndication until November 1964, when CBS decided not to grant any further licenses for its broadcast. Television broadcasts ceased in 1966. App. 28a.

CBS withdrew "The Amos 'N' Andy Show" from television syndication in response to pressure from civil rights groups, especially the N.A.A.C.P., which claimed that the show presented a demeaning portrayal of blacks. CBS's suspension of commercial use was and is based on its concern with the sensitivity of the subject matter and its expectation of being put in disfavor with civil rights groups. App. 52a, 53a.

As a result of the long-running Amos 'N' Andy radio and television series, many attributes of the programs acquired national fame and recognition, as plaintiff admitted. App. 60a n. The well-known attributes of the Amos 'N' Andy properties include the names of the principal characters (e.g., Amos Jones, Andy Brown, The Kingfish, Algonquin J. Calhoun and Sapphire), the appearance of the characters as portrayed in the television series, their business and social enterprises (The Fresh Air Taxi Company, the Mystic Knights of the Sea Lodge), and

numerous distinctive words, phrases and symbols used repeatedly in the programs (most prominently, "Holy mackral"). *See* App. 44a n.

The title "Amos 'N' Andy" was and is a powerful trademark representing the radio and television series. According to a telephone survey in 1985, a substantial percentage of the public today would believe that plaintiff's musical play, if produced, was approved, licensed, or produced by the same source as the radio and television programs, namely, CBS. *See* App. 47a n.

As stated above, CBS since 1964 has only permitted use of its Amos 'N' Andy properties for educational, historical or documentary purposes. For example, CBS used excerpts from the Amos 'N' Andy television series in a CBS news special broadcast in 1968. In 1972 CBS licensed excerpts for inclusion in the motion picture "Malcolm X". In 1982, CBS licensed a limited run Writer's Workshop play in New York City entitled "What Ever Happened Ta Amos 'N' Andy?" In 1983, CBS licensed Mr. Michael Avery to use excerpts of the Amos 'N' Andy television series in a film documentary entitled "Amos 'N' Andy: Anatomy of a Controversy". App. 53a.

CBS has also periodically reconsidered reviving the television series, including, for example, rebroadcasting the existing television series over cable television. As of 1984,[1] however, CBS had not discovered a commercial use of the property that, in its view, would not provoke an adverse public reaction and that would be consistent with the sensitive nature of the property. App. 53a.

CBS has vigorously protected its rights to the Amos 'N' Andy television series and associated characters during the years of limited use. CBS has continually demanded that infringers cease and desist unauthorized use of the property, whenever it learned of such use. In 1978 and 1980, CBS registered approximately 70 television episodes for copyright (seven had already

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1 The District Court refused to receive evidence of CBS's activity with respect to the property after the date of commencement of the lawsuit in March 1984.

been registered in 1961), and renewed them in 1981. Later, CBS sought and obtained copyright registration for the scripts of many Amos 'N' Andy radio programs. App. 61a, 54a.

Beginning in 1981, plaintiff, Stephen M. Silverman, requested permission from CBS to produce a musical play based upon a script entitled "Amos 'N' Andy Go To The Movies" (the "Silverman script"). App. 52a. The Silverman script was designed to take advantage of the continuing public goodwill for CBS's Amos 'N' Andy television programs. Silverman has conceded that the association of his musical play with the television and radio series would make it more popular, and attempted to interest CBS in the project (before the lawsuit began) by pointing out the existence of a "built-in audience" and the general familiarity with and nostalgia for the Amos 'N' Andy programs. App. 60a n.

CBS declined to grant the requested license to Mr. Silverman, following its policy against commercial exploitation of Amos 'N' Andy. This action followed.

THIS ACTION

Plaintiff filed this action on March 16, 1984 seeking a declaration that CBS had no trademark or other exclusive rights in the material contained in scripts for the Amos 'N' Andy radio programs broadcast between 1928 and March, 1948. Silverman claimed that he was therefore free to produce a musical play based on a script he had written. App. 28a.

Silverman concealed from the District Court the fact that he had included in his script substantial excerpts from a copyrighted CBS radio script of a later date (1952). In the course of discovery, CBS discovered the secret copying of material from CBS's copyrighted script and other copyrighted works. CBS then interposed counterclaims for copyright and trademark infringement, unfair competition and dilution of its trademarks. App. 29a.

On May 23, 1985, CBS moved for summary judgment on its counterclaims and dismissing the complaint. On April 15, 1986,

the District Court granted CBS partial summary judgment on its copyright claims, finding that Silverman's script infringed a copyrighted CBS radio script, enjoined further copying and declared the copyright in Silverman's script to be void. App. 30a-43a.

On the ground of unripeness, the District Court dismissed CBS's trademark infringement, unfair competition and anti-dilution claims, finding that they would not be ripe until and unless Silverman actually produced his musical play. App. 46a-48a. The Court also dismissed Silverman's complaint except in so far as it sought a declaration that CBS had abandoned its trademark rights in any trademarks associated with the Amos 'N' Andy television series. App. 49a n.

Silverman proceeded to trial on the abandonment issue in April, 1987. On August 4, 1987, the District Court ruled that CBS had not abandoned its trademarks associated with the Amos 'N' Andy radio and television series. The Court relied on CBS's continuing, albeit limited, use of the trademarks, its continual policing of infringements, its registration and renewal of over 100 copyrights covering radio scripts and television programs, and its periodic internal reconsideration of broader use of the Amos 'N' Andy properties. App. 61a.

The District Court noted that CBS had withdrawn the Amos 'N' Andy programs from commercial use in deference to civil rights concerns, and concluded:

> It would be offensive to basic precepts of fairness and justice to penalize CBS, by stripping it of its trademark rights, merely because it succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interests of the community.

App. 61a.

The Court of Appeals reversed the District Court on the issue of abandonment of trademarks, contravening this Court's precedents and decisions of other Courts of Appeals, its own prior decisions and decisions of New York state's highest court in doing so. Rejecting the "intent to abandon" standard estab-

lished in this Court's decisions (and its own), the Court of Appeals created a new standard for rebutting a presumption of abandonment based upon nonuse, as follows:

> A proprietor who temporarily suspends use of a mark can rebut the presumption of abandonment by showing reasonable grounds for the suspension and plans to resume use in the reasonably foreseeable future when the conditions requiring suspension abate.

App. 16a.

This new standard "rewarded" CBS for its responsible use of the Amos 'N' Andy trademarks by voiding them. Because the Second Circuit's new standard for determining whether a trademark has been abandoned represents a major departure from prior federal and state precedent, CBS seeks a writ of certiorari.

FEDERAL JURISDICTION OVER THIS ACTION

According to plaintiff-respondent, the District Court had jurisdiction over this action pursuant to 28 U.S.C. § 1338(a) and (b) and principles of pendent jurisdiction.

REASONS FOR GRANTING THE WRIT

I.

THE DECISION BELOW DIRECTLY CONFLICTS WITH DECISIONS OF THIS COURT AND WITH THOSE OF OTHER CIRCUITS

The Second Circuit held below that a trademark owner can only rebut a presumption of abandonment of its mark based on nonuse for two or more years if it can show (1) "reasonable grounds for the suspension" of use and (2) "plans to resume use in the reasonably foreseeable future when the conditions requiring suspension abate." App. 16a.

This holding is in direct conflict with two prior decisions of this Court which hold that acts that otherwise would prove

abandonment may be rebutted merely by showing that there was no actual intent to abandon. The decision below is also in conflict with decisions of other circuits on the meaning of abandonment and is also contrary to the Lanham Act's definition of abandonment. The holding also conflicts with a long line of decisions in the same and other circuits holding that proof of an external cause for suspension of use alone suffices to rebut abandonment.

A. This Court Has Held That The Standard For Abandonment Of A Trademark Is Actual Intent To Abandon

This Court has held that:

> [t]o establish the defense of abandonment it is necessary to show not only acts indicating a practical abandonment, but an *actual intent to abandon*. Acts which unexplained would be sufficient to establish an abandonment may be answered by showing that there never was an intention to give up and relinquish the right claimed. (emphasis added)

Saxlehner v. Eisner & Mendelson Co., 179 U.S. 19, 31, 21 S. Ct. 7, 11-12, 45 L. Ed. 60 (1900).

The District Court here expressly found that CBS had no "intent to abandon" the Amos 'N' Andy trademarks, as *Saxlehner* requires. 666 F. Supp. at 580 (App. 59a). As the District Court said, CBS's "actions are entirely inconsistent with the intent to abandon or relinquish rights in the Amos 'N' Andy marks." *Id.* The Court of Appeals did not disagree, but rejected the Saxlehner "intent to abandon" standard in favor of a new standard of its own devising. App. 15a n.

In *Baglin v. Cusenier Co.*, 221 U.S. 580, 597-98, 31 S. Ct. 669, 674, 55 L. Ed. 863 (1911), this Court emphasized that abandonment was not a penalty to be imposed for nonuse, but was strictly a matter of intent:

> [T]he loss of the right of property in trade-marks upon the ground of abandonment is not to be viewed as a penalty either for non-user or for the creation and use of new

> devices. There must be found an *intent* to abandon or the property is not lost . . . . (emphasis in original).

The Court noted that plaintiff stopped use of the trademarks because of a liquidation of assets and loss of the trademarks in France to another party. This did not constitute an abandonment, the Court said, because there was no "consent" to the abandonment, as shown by the plaintiff's continuous protection of its trademarks:

> 'Abandonment in industrial property is an act by which the public domain originally enters or reenters into the possession of the thing (commercial name, mark, or sign,) by the will of the legitimate owner. The essential condition to constitute abandonment is, that the one having a right should consent to the dispossession. Outside of this there can be no dedication of the right, because there cannot be abandonment in the juridical sense of the word.'
>
> . . . The attitude of [plaintiffs] in their efforts here and in other countries to prevent the use of the old marks shows clearly that there has been no intention to abandon.

221 U.S. at 598, 31 S. Ct. at 674.

Thus, there can be no question that this Court has declared abandonment to be a matter of subjective intent of the trademark owner, determined by the volition of the owner. There is no doubt that CBS did not, by "will" or "consent," abandon the trademarks. Contrary to the dictates of *Baglin*, abandonment was imposed by the Second Circuit here as a "penalty . . . for non-user." 221 U.S. at 597-98, 31 S. Ct. at 674.

The Supreme Court has not spoken on this issue since before the enactment of the Lanham Act in 1945. While the Court of Customs and Patent Appeals has held that the Lanham Act "evidences a more lenient attitude toward nonuse" than prior law, the Second Circuit has obviously gone in the opposite direction. *Compare American Lava Corp. v. Multronics, Inc.*, 461 F.2d 836, 839 (C.C.P.A. 1972) *with* App. 15a n. We respectfully submit that it is time for this Court to revisit the

issue of abandonment under federal law and reestablish the rule of actual intent to abandon, which is now being ignored.

B. There Is Confusion Among The Circuits As To The Standards For Determining Trademark Abandonment

In voiding CBS's trademarks, the Second Circuit rejected not only this Court's prior holdings but also its own and those of sister circuits. The decision below, and other circuit court decisions, have created a split in the circuits requiring resolution.

The standard enunciated by this Court, requiring an actual intent to abandon, has been the rule applied by a number of the Courts of Appeals, including the Second Circuit, until very recently. *See Citibank, N.A. v. Citibanc Group, Inc.*, 724 F.2d 1540, 1545 (11th Cir. 1984); *Skippy, Inc. v. CPC International, Inc.*, 674 F.2d 209, 216 (4th Cir.), *cert. denied*, 459 U.S. 969 (1982) ("To prove abandonment, a party must show intent to abandon."); *United States Jaycees v. Philadelphia Jaycees*, 639 F.2d 134, 138 (3d Cir. 1981) (quoting *Saxlehner* and noting "twin requirement of non-use and intent to abandon is embodied in section (a) of the [Lanham Act] statutory definition of abandonment"); *Saratoga Vichy Spring Co., Inc. v. Lehman*, 625 F.2d 1037, 1044 (2d Cir. 1980) (quoting *Saxlehner* and stating "objective facts can satisfactorily explain non-use to the point where an inference of intent to abandon is unwarranted"); *Miller Brewing Co. v. Oland's Breweries [1971] Limited*, 548 F.2d 349, 352 (C.C.P.A. 1976) (quoting *Saxlehner*); *Wallace & Co. v. Repetti, Inc.*, 266 F. 307, 308 (2d Cir.), *cert. denied*, 254 U.S. 639 (1920) (quoting *Saxlehner*).

The requirement of an actual intent to abandon is also consistent with the well-established principle that abandonment, being in the nature of a forfeiture, must be strictly proved. *See Citibank, N.A.*, 724 F.2d at 1545; *Saratoga Vichy Spring Co. Inc. v. Lehman*, 625 F.2d 1037, 1044 (2d Cir. 1980); *American Foods, Inc. v. Golden Flake, Inc.*, 312 F.2d 619, 624-25 (5th Cir. 1963).

In 1983, the Fifth Circuit adopted a new standard for abandonment of a trademark through nonuse, a standard that

clearly conflicts with earlier Supreme Court precedent and decisions in other circuits. In *Exxon Corp. v. Humble Exploration Co., Inc.*, 695 F.2d 96 (5th Cir. 1983), the Fifth Circuit created a distinction for the first time between "intent to abandon" a trademark and "intent not to resume" use, the phrase used in 15 U.S.C. § 1127(a). It noted that an owner may not wish to abandon its mark but may have no current intent to resume use. The Fifth Circuit held that to retain a mark in the absence of use, the trademark owner must prove an "intent to resume commercial use" of the mark, not simply an intent not to abandon. *Id.* at 102. The new standard enunciated by the Fifth Circuit was also adopted by the Eighth and Eleventh Circuits. *Ambrit, Inc. v. Kraft, Inc.*, 805 F.2d 974, 994 (11th Cir. 1986), *cert. denied*, 107 S. Ct. 1983 (1987); *Hiland Potato Chip Co. v. Culbro Snack Foods, Inc.*, 720 F.2d 981, 984 (8th Cir. 1983).

The decision below departed even further from earlier precedents than *Exxon* did, holding that an owner of a mark can avoid a finding of abandonment only by "showing reasonable grounds for the suspension *and plans* to resume use *in the reasonably foreseeable future* when the conditions requiring suspension abate" (emphasis added). The Second Circuit not only adopted the Fifth Circuit standard of abandonment requiring the trademark owner to show concrete plans to resume commercial use; it also required, for the first time, that the plans must be for the reasonably foreseeable future after the reason for suspension of use of the mark ceases.

The standards for what constitutes abandonment of a trademark adopted by the Second Circuit and the Fifth Circuit are in direct conflict with earlier decisions of this Court and the above-cited decisions in other circuits, all of which require an actual intent to abandon, not an absence of plans to resume use. This Court's intercession is necessary to settle the issue.

Furthermore, contrary to the holdings in the Second and Fifth Circuits, there is nothing in the Lanham Act that requires "commercial" use to obtain or sustain a trademark. The Lanham Act only requires that a use be made "in commerce." 15 U.S.C. § 1051. There is no question that trademarks can

subsist for non-commercial uses. *Purcell v. Summers*, 145 F.2d 979, 985 (4th Cir. 1944) (name of "eleemosynary or charitable organization" protected; "The fact that a corporation is an eleemosynary or charitable one and has no goods to sell, and does not make money, does not take it out of the protection of the law of unfair competition"). *Accord, United States Jaycees v. San Francisco Junior Chamber of Commerce*, 354 F. Supp. 61, 71 (N.D. Calif. 1972), *aff'd*, 573 F.2d 1226 (9th Cir. 1975) ("benevolent, religious, charitable or fraternal organizations"); *see also, N.A.A.C.P. v. N.A.A.C.P. Legal Defense & Education Fund*, 753 F.2d 131, 137 n.57 (D.C. Cir.), *cert. denied*, 472 U.S. 1021 (1985) (non-profit organization); *National Board of YWCA v. YWCA of Charleston, S.C.*, 335 F. Supp. 615, 621 (D.S.C. 1971) (religious, benevolent or fraternal organization).

Thus, the non-commercial uses to which CBS has put the trademarks negate any claim of "nonuse" and are sufficient to preserve CBS's rights. Here again, the Second Circuit's decision represents a conflict among the Circuits that only this Court can resolve.

C. The Second Circuit's New Abandonment Rule Is Inconsistent With The Lanham Act

The requirement that there must be actual intent to abandon, contrary to the decision below, is also apparent from the statutory treatment of abandonment. The Lanham Act provides that a "mark shall be deemed to be 'abandoned'—(a) When its use has been discontinued with intent not to resume . . . ." 15 U.S.C. § 1127(a). The Lanham Act also refers to abandonment in 15 U.S.C. § 1059, which permits the owner of a trademark to renew its registration if "any nonuse is due to special circumstances which excuse such nonuse and it is not due to any intention to abandon the mark."

The use of the phrase "intention to abandon" in § 1059, without any suggestion that the standard is different from the "intent not to resume" language in § 1127, shows that the Lanham Act did not mean to change existing law, which the

Court below erroneously concluded. App. 14a-15a. During the hearings on the Lanham Act, a representative of the American Bar Association quoted the language defining abandonment and then stated: "[t]hat, of course, is present law." Hearings on H.R. 82 Before a Subcomm. of the Senate Comm. on Patents, 78th Cong., 2d Sess. 24 (1944). The Lanham Act could not have intended to create two separate abandonment standards: one, harsher, to find abandonment under § 1127, and another, under § 1059, more lenient, to determine when a mark's registration may be renewed.

Thus the Court of Appeals erred when it held the phrase "intent not to resume" in § 1127 represented a stricter standard than the preexisting "intent to abandon" standard. App. 14a-15a. Indeed, the Lanham Act made it easier than before for trademark owners to maintain their trademark rights despite suspension of use. The C.C.P.A., in *American Lava Corp. v. Multronics, Inc.*, 461 F.2d 836 (C.C.P.A. 1972), held that the petitioner in a trademark cancellation petition did not have to show use of its own mark when it filed the cancellation proceeding. The Court cited § 1059 and commented that the Lanham Act, "evidences a more lenient attitude toward nonuse than the 1905 Act." *Id.* at 839.

D. The Rule In Other Circuits Is That An Outside Cause For Suspension Of Use Of A Trademark precludes Abandonment

The Second Circuit's departure from the "intent to abandon" rule is especially unjust and harmful here since, as the District Court found, CBS ceased commercial use because "it succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interests of the community." App. 16a. That is, CBS's nonuse was not the result of a voluntary intent to abandon, but a response to hostile external forces. Equity, as well as well-settled precedent, forbids the voiding of trademark rights here.

There is a large body of law holding that a mark is not abandoned due to nonuse where external conditions cause or lead to

the cessation of use. *Star-kist Foods, Inc. v. P.J. Rhodes & Co.*, 769 F.2d 1393, 1396 (9th Cir. 1985) (period of unprofitability of business); *Defiance Button Mach. Co. v. C & C Metal Products Corp.*, 759 F.2d 1053, 1056 (2d Cir. 1985), *cert. denied*, 474 U.S. 844 (1985) (financial failure); *Sterling Brewers, Inc. v. Schenley Ind., Inc.*, 441 F.2d 675, 680 (C.C.P.A. 1971) (strike); *Poncy v. Johnson & Johnson*, 460 F. Supp. 795, 802 n.4 (D.N.J. 1978) (conscientious reluctance to use possibly misleading trademark); *see Cusenier*, 221 U.S. at 598, 31 S. Ct. at 674 (loss of rights in one foreign country). This body of law is a necessary concomitant of the general rule that abandonment depends upon the volition of the trademark owner. Nonuse due to outside causes cannot be voluntary.

The decision below departs from this well-established principle of law and holds that an external reason for nonuse alone is not sufficient to rebut abandonment. The Second Circuit relied on the *Exxon* case from the Fifth Circuit for this result, but *Exxon* (on remand) expressly noted that that there was no "outside cause" for the nonuse there, unlike the line of cases cited above. *Exxon Corp. v. Humble Exploration Co., Inc.*, 592 F. Supp. 1226, 1228, 1230 (N.D. Tex. 1984).

Thus, the Second Circuit's decision creates a conflict in the Circuits by its departure from the "external cause" line of cases.

It is evident from the foregoing that a definitive ruling is needed by this Court to unify the law as to what constitutes abandonment of a trademark under the Lanham Act.

II.

THE DECISION BELOW ERRONEOUSLY APPLIED FEDERAL LAW TO A QUESTION GOVERNED BY STATE LAW

In reaching its decision below on CBS's state law trademark rights, the Second Circuit erroneously applied federal standards regarding abandonment of trademarks. Furthermore, the stan-

dard applied by the Second Circuit conflicts with the standard adopted by the New York Court of Appeals on the issue of what constitutes abandonment of a trademark.

Whether or not CBS has abandoned its trademark rights under state law must be determined by reference to state law. *Erie R. Co. v. Tompkins*, 304 U.S. 64 (1938); *Saratoga Vichy Spring Co., Inc. v. Lehman*, 625 F.2d 1037, 1043 (2d Cir. 1980) (state law governs the issue of abandonment insofar as that issue affects plaintiff's state law claim). Both because Silverman's complaint sought a declaration that CBS had no rights under any rule of law, and because CBS's trademarks were unregistered common-law trademarks, state law controlled the abandonment issue.

Before the Second Circuit's decision below, New York and federal law were in accord—both required an actual intent to abandon. *See Saratoga Vichy*, 625 F.2d at 1043. When the Second Circuit diverged from this line, however, based on federal cases and a misinterpretation of the legislative history of the Lanham Act, it erroneously applied the new standard to a state law issue. This was error.

The New York Court of Appeals has held in two decisions that a trademark will not be held abandoned unless an actual intent to abandon is demonstrated. *Neva-Wet Corp. v. Never Wet Processing Corp.*, 277 N.Y. 163, 173-74, 13 N.E.2d 755, 760 (1938) ("To constitute abandonment, there must be satisfactory evidence of definite acts on the part of [the owner] which indicate an actual intention permanently to give up the use of the trade-mark"); *Rockowitz C. & B. Corp. v. Madame X Co., Inc.*, 248 N.Y. 272, 276, 162 N.E. 76, 78 (1928) ("To constitute an abandonment there must not only be nonuser but an intent to abandon.")

The standard applied by the decision below, which requires the trademark owner to show "plans to resume use in the reasonably foreseeable future when the conditions requiring suspension abate" is in direct conflict with the state standard as to what is required to prove abandonment of a trademark: *i.e.*, an

actual intention to permanently give up use of the trademark. *Neva-Wet*, 277 N.Y. at 173-74.

This Court should therefore review and reverse the decision below, because the Court of Appeals failed to follow a decision of the highest court of the state on an issue controlled by state law, and instead adopted a standard directly in conflict with state law. Under well-settled principles of federalism represented by the *Erie* line of cases, the Court of Appeals departed from the accepted usual course of judicial proceedings so as to call for an exercise of this Court's power of supervision.

CONCLUSION

For the foregoing reasons, petitioner prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Second Circuit in this case.

Respectfully submitted,

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May 5, 1989

88-1804

No. 89-____

Supreme Court, U.S.
FILED
MAY 5 1989
JOSEPH F. SPANIOL, JR.
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1988

CBS INC.,

Petitioner,

—v.—

STEPHEN M. SILVERMAN,

Respondent.

APPENDIX TO THE PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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UNITED STATES COURT OF APPEALS

FOR THE SECOND CIRCUIT

Docket No. 88-7165

Filed February 6, 1989

At a stated Term of the United States Court of Appeals for the Second Circuit, held at the United States Courthouse in the City of New York, on the sixth day of February one thousand nine hundred and eighty-nine.

Present: HON. WILFRED FEINBERG
HON. JON O. NEWMAN
HON. GEORGE C. PRATT
Circuit Judges,

STEPHEN M. SILVERMAN,

Plaintiff-Appellant,

—v.—

CBS INC.,

Defendant-Appellee.

Appeal from the United States District Court
for the Southern District of New York

This cause came to be heard on the transcript of record from the United States District Court for the Southern District of New York and was argued by counsel.

ON CONSIDERATION WHEREOF, it is now hereby ordered, adjudged and decreed that the judgment of said District Court be and it hereby is affirmed in part, vacated in part and

remanded without costs to the said district court for further proceedings in accordance with the opinion of this court.

A TRUE COPY
ELAINE B. GOLDSMITH,
Clerk

By: /s/ FRED M. CASSIDY
Deputy Clerk

Elaine B. Goldsmith,
Clerk

by: /s/ EDWARD J. GUARDARO
Edward J. Guardaro,
Deputy Clerk

ISSUED AS MANDATE:
March 8, 1989

UNITED STATES COURT OF APPEALS

FOR THE SECOND CIRCUIT

No. 1175—August Term 1987

Argued: May 25, 1988 Decided: February 6, 1989

Docket No. 88-7165

STEPHEN M. SILVERMAN,

Plaintiff-Appellant,

—v.—

CBS INC.,

Defendant-Appellee.

Before:

FEINBERG, NEWMAN, and PRATT,

Circuit Judges.

Appeal from a judgment of the District Court for the Southern District of New York (Gerald L. Goettel, Judge) awarding defendant damages, declaratory relief, and an injunction in a copyright and trademark suit arising from the efforts of plaintiff to develop a musical based on the "Amos 'n' Andy" characters.

Affirmed in part, vacated in part, and remanded.

BARRY I. FREDERICKS, New York, N.Y. (Aurnou & Fredericks, New York, N.Y., on the brief), *for plaintiff-appellant.*

DAVID RABINOWITZ, New York, N.Y. (Stanley Rothenberg, Moses & Singer, New York, N.Y., on the brief), *for defendant-appellee.*

JON O. NEWMAN, *Circuit Judge*:

This appeal presents somewhat novel issues of both copyright and trademark law arising from the efforts of appellant Stephen M. Silverman to develop a musical based on the "Amos 'n' Andy" characters.[1] The attempt to transport Amos, Andy, Kingfish, Algonquin J. Calhoun, and all the others from the well-known radio and television shows of earlier decades to Broadway (possibly in a cab of the Fresh Air Taxi Co.) has thus far been stymied by the assertion of copyright and trademark infringement claims by appellee CBS Inc. Silverman appeals from a judgment of the District Court for the Southern District of New York (Gerald L. Goettel, Judge) awarding CBS damages, declaratory relief, and an injunction. Because some "Amos 'n' Andy" materials are in the public domain while others remain subject to CBS copyrights, and because CBS has elected not to make commercial use of its "Amos 'n' Andy" radio and television programs, nor create new ones, since 1966, the issues pri-

1 In this litigation, the phrase has been variously spelled "Amos 'n' Andy," "Amos 'N' Andy," and "Amos 'n Andy." For convenience, we will spell it "Amos 'n' Andy" except when referring to it as a trademark, where it will appear as AMOS 'N' ANDY.

marily raised on this appeal are the extent of copyright protection available to CBS with respect to the "Amos 'n' Andy" characters and whether CBS has abandoned through non-use whatever trademarks it might have. We conclude that to a limited extent copyright infringement has occurred, that the declaratory and injunctive relief awarded CBS should be modified to avoid extension of copyright protection to public domain materials, that Silverman is entitled to limited declaratory relief, and that CBS's trademarks, if valid, have been abandoned.

Facts

The "Amos 'n' Andy" characters were created in 1928 by Freeman F. Gosden and Charles J. Correll, who wrote and produced for radio broadcasting "The Amos 'n' Andy Show." The show became one of the country's most popular radio programs. The characters in the Amos 'n' Andy programs were Black. Gosden and Correll, who were White, portrayed Amos and Andy on radio. The authors appeared in blackface in publicity photos. Black actors played the parts in the subsequent television programs.

Gosden and Correll assigned all of their rights in the "Amos 'n' Andy Show" scripts and radio programs to CBS Inc. in 1948. Gosden and Correll continued to create new "Amos 'n' Andy" scripts, which formed the basis for CBS radio programs. The radio programs continued until 1955. Beginning in 1951 CBS also broadcast an "Amos 'n' Andy" television series. The television series was aired on CBS affiliate stations until 1953 and continued in reruns and non-network syndication until 1966. CBS has not aired or licensed for airing any of the radio or television programs since 1966.

In 1981, Silverman began writing a script for a Broadway musical based on the "Amos 'n' Andy" characters. The title of this work was originally "Amos 'n' Andy Go To The Movies." A revision was titled "Amos 'n' Andy In Hollywood," and a more extensive revision was titled "Fresh Air Taxi." Silverman sought a license to use the "Amos 'n' Andy" characters, but CBS refused.

Silverman filed this lawsuit seeking a declaration that the "Amos 'n' Andy" radio programs broadcast from March 1928 through March 1948 (the "pre-1948 radio programs") are in the public domain and that he is therefore free to make use of the content of the programs, including the characters, character names, and plots. He also sought a declaration that CBS has no rights in these programs under any body of law, including statutory and common law copyright law and trademark law. CBS asserted five counterclaims: (1) that Silverman's scripts infringed CBS's copyrights in the scripts for three post-1948 radio programs; (2) that the Silverman scripts violated section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982), by infringing various CBS trademarks, including "AMOS 'N' ANDY", the names of various characters such as "George ('Kingfish') Stevens," "Madame Queen," and "Lightnin'," and various phrases such as "Scuse me for protruding," "splain dat," and "Holy mackral" (perhaps Amos's best-known contribution to the language); (3) that the infringement of CBS's trademarks also violated CBS's rights under state unfair competition and anti-dilution law; (4) that Silverman had misappropriated CBS's goodwill associated with the "Amos 'n' Andy" programs and trademarks; and (5) that Silverman had obtained improper copyright registration of his first movie script, claiming it to be an original work,

whereas it used protected material from scripts in which CBS held copyrights.

District Court Decisions

Judge Goettel adjudicated the plethora of issues before him in three stages, writing thoughtful opinions at each stage. The initial decision granted in part and denied in part CBS's motion for summary judgment. *Silverman v. CBS*, 632 F. Supp. 1344 (S.D.N.Y. 1986) (hereafter "*Silverman I*"). Judge Goettel ruled initially that since all of the works in which CBS claims a statutory copyright were created long before January 1, 1978, the effective date of the 1976 Copyright Act, 17 U.S.C. §§ 101-914 (1982 and Supp. IV 1986), the copyright issues were primarily governed by the Copyright Act of 1909. Act of March 4, 1909, ch. 320, 35 Stat. 1075. The District Judge then considered CBS's copyright claims with respect to the pre-1948 radio programs, the post-1948 radio programs, and the television programs.

With respect to the pre-1948 radio programs, Judge Goettel ruled that the scripts for these programs were in the public domain because the copyrights in these scripts, originally obtained by Gosden and Correll, had not been renewed. *Id.* at 1350. He also ruled that the broadcasts of these programs (presumably the audiotapes of the broadcasts) were entitled to common law copyright protection because the broadcasts did not constitute publication, and publication had not otherwise occurred. *Id.* That ruling, however, does not appear to have affected the judgment that was ultimately entered. The District Judge did not rule that Silverman's scripts infringed CBS's rights in the pre-1948 broadcasts, nor did he rule that Silverman was entitled to a declaration of the right to use material from

these broadcasts. Judge Goettel expressed the view that though CBS had the right to prevent copying of "the sound recordings of the radio shows," CBS's rights in the pre-1948 programs were "immaterial" because Silverman did not plan to use recordings of these programs in his musical.[2] *Id.*

Turning next to the post-1948 radio programs, Judge Goettel ruled that CBS had common law copyrights in the scripts for these programs, which became statutory copyrights pursuant to the 1976 Act when CBS registered these scripts with the Copyright Office in early 1985. *Id.* at 1351. The District Judge then found that Silverman had had access to the scripts and had listened to the broadcasts, that the first script for his musical indisputably contained substantial portions of dialogue from at least one of the post-1948 radio scripts, and that Silverman was therefore liable for copyright infringement.[3] *Id.* at 1351-52.

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2 Though the District Court may have been correct in concluding that it is "immaterial" whether CBS retains copyrights in the pre-1948 radio broadcasts, its suggestion that CBS has copyrights in the sound recordings is incorrect. These sound recordings were made prior to February 15, 1972, the date as of which Congress first extended copyright protection to sound recordings. Act of October 15, 1971, P.L. 92-140, 85 Stat. 391, as amended by Act of December 31, 1974, P.L. 93-573, 88 Stat. 1873. As sound recordings, they therefore are not eligible for federal copyright protection. *See Lone Ranger Television, Inc. v. Program Radio Corp.*, 740 F.2d 718, 720 (9th Cir. 1984); 1 *Nimmer on Copyright* § 2.10[B] (1988). If Silverman had planned to play the audiotapes of these broadcasts in his musical, CBS would have had to look to state law for protection. *See Goldstein v. California*, 412 U.S. 546 (1973). CBS makes no claim that it might have some basis for claiming infringement if Silverman sought to use, not the actual sounds contained on these tapes, but only some increments of expressive content beyond what is contained in the public domain scripts, *e.g.*, ad-libbed dialogue or a further delineation of a character. We express no views on the availability of such a claim.

3 The District Court's opinion refers to infringement of both the post-1948 scripts and the post-1948 programs. Since the infringing material

Summary judgment was granted to CBS on its first and fifth counterclaims.

Turning next to the television programs, the District Judge noted that CBS had obtained copyright registrations and renewals for the televised programs (which were fixed in the tangible medium of film or videotape). He then rejected Silverman's claim that CBS had placed these telecasts in the public domain by publishing them without copyright notice. Recognizing that broadcasting the television programs was not publication, Silverman had nevertheless contended that CBS had made a sufficiently broad distribution of the progams to constitute publication by reason of the distribution of copies of the programs to affiliate and non-affiliate stations. Silverman relied primarily on the practice known as "bicycling," whereby one television station forwards the program to another. Judge Goettel expressed some doubt that the record assembled on summary judgment supported the claim, but ruled in any event that distribution of copies for "synchronized national broadcast" was not a general publication. *Id.* at 1353-54.

Then, facing the issue of the scope of copyright protection for the television programs, Judge Goettel focused on the graphic representation of the "Amos 'n' Andy" characters in the telecasts. Mindful that the pre-1948 radio scripts were in the public domain, he framed the key question to be "are characters that are in the public domain in a literary work protectable by copyright in an audiovisual presentation?" *Id.* at 1355. The District Judge answered "yes" and ruled that "duplication of the characters as

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was dialogue that appeared in one of the scripts, it is the copyright in that script that was infringed. The programs added no additional dialogue that was copied by Silverman's script for his musical.

they appeared on television would infringe CBS's copyrights." *Id.* Reaching the issue of infringement, Judge Goettel then ruled that substantial similarity could not be determined until the characters in Silverman's musical were seen on stage, and he therefore dismissed the counterclaim as unripe to the extent that it sought relief for infringement of the television programs. *Id.*

On the trademark side of the case, Judge Goettel ruled that the name "Amos 'n' Andy," as well as the names and appearances of "Amos 'n' Andy" characters and "other distinctive features of the . . . radio and television shows" are protectable marks. *Id.* at 1356. He then set down for trial the issue of whether CBS's non-use of the marks constituted abandonment. Finally, he ruled that the issue of trademark infringement, as well as the related issues of unfair competition and dilution were premature in the absence of a staging of Silverman's musical. *Id.* at 1357-58.

After a bench trial on the issue of abandonment, Judge Goettel concluded that CBS had not abandoned its trademarks. *Silverman v. CBS*, 666 F. Supp. 575 (S.D.N.Y. 1987) (*Silverman II*). Finally, upon CBS's motion for damages and an award of attorney's fees, the District Judge ordered Silverman to pay damages of $9,403.07 (representing the difference between $20,000 of revenue received from backers of his musical and expenses of $10,596.93), plus an attorney's fee of $10,000. *Silverman v. CBS*, 675 F. Supp. 870 (S.D.N.Y. 1988) (*Silverman III*).

The final judgment entered in the District Court included several provisions. Silverman was enjoined from "creating . . . distributing . . . or offering for sale any script, or permitting the display or performance publicly of any musical play based thereon, bearing or containing

any substantial copy or derivative work based upon any episode of an Amos 'n' Andy radio or television program created by or for CBS in or after August 1948 . . . ." He was also ordered to recall and deliver to CBS copies of the scripts titled "Amos 'n' Andy in Hollywood" and "Amos 'n' Andy Go To The Movies." The judgment declared that Silverman's copyright registration in his first script was void, that CBS's copyright registrations in episodes of the "Amos 'n' Andy" radio and television programs are valid, that the "characters' names and appearances and other distinctive features" of the "Amos 'n' Andy" radio and television shows are trademarks of CBS, and that CBS has not abandoned such marks. CBS was awarded damages and attorney's fees totaling $19,403.07. Finally, the judgment dismissed with prejudice all claims and counterclaims except CBS's second, third, and fourth counterclaims, which were dismissed without prejudice. This dismissal of all claims resulted in the denial of Silverman's claim for a declaration of his right to use any of the component parts of the pre-1948 radio programs, including the programs' titles, characters, characters' names, and plots. Though *Silverman I* had determined that the scripts for the pre-1948 radio programs were in the public domain, Silverman obtained no rights to their use because of the District Court's ruling that "AMOS 'N' ANDY" and the "Amos 'n' Andy" characters and phrases were protected trademarks of CBS.

Discussion

We consider first the trademark side of this case because our conclusion on the trademark issues significantly alters the context in which the copyright issues arise.

1. *Trademark Issues.* Silverman challenges the District Court's rulings that CBS has protectable trademarks in the "Amos 'n' Andy" names, characters, and other features of the radio and television programs, including phrases of dialogue, and that CBS has not abandoned these marks. We find it unnecessary to decide which features of the programs might give rise to protectable marks because we agree with Silverman that CBS has abandoned the marks.

Section 45 of the Lanham Act provides:

> A mark shall be deemed to be "abandoned"—
>
> (a) When its use has been discontinued with intent not to resume. Intent not to resume may be inferred from circumstances. Nonuse for two consecutive years shall be prima facie abandonment.

15 U.S.C. § 1127 (1982). There are thus two elements for abandonment: (1) non-use and (2) intent not to resume use. *See Saratoga Vichy Spring Co. v. Lehman*, 625 F.2d 1037, 1043 (2d Cir. 1980). Two years of non-use creates a rebuttable presumption of abandonment. *Id.* at 1044.

On the undisputed facts of this case, CBS made a considered decision to take the "Amos 'n' Andy" television programs off the air. It took this action in response to complaints by civil rights organizations, including the NAACP, that the programs were demeaning to Blacks. By the time the abandonment issue came before the District Court, non-use of the AMOS 'N' ANDY marks had continued for 21 years. Although CBS has no current plans to use the marks within the foreseeable future, CBS asserts that it has always intended to resume using them at some point in the future, should the social climate become more hospitable.

Ordinarily, 21 years of non-use would easily surpass the non-use requirement for finding abandonment. *See, e.g., I.H.T. Corp. v. Saffir Publishing Corp.*, 444 F. Supp. 185 (S.D.N.Y. 1978) (denying preliminary injunction to protect trademark after 12 years of non-use). The District Court concluded, however, that CBS had successfully rebutted the presumption of abandonment arising from its prolonged non-use by offering a reasonable explanation for its decision to keep the programs off the air and by asserting its intention to resume use at some indefinite point in the future. This conclusion raises a question as to the proper interpretation of the statutory phrase "intent not to resume": Does the phrase mean intent *never* to resume use or does it merely mean intent not to resume use within the reasonably foreseeable future?

We conclude that the latter must be the case. The statute provides that intent not to resume may be inferred from circumstances, and two consecutive years of non-use is prima facie abandonment. Time is thereby made relevant. Indeed, if the relevant intent were intent never to resume use, it would be virtually impossible to establish such intent circumstantially. Even after prolonged non-use, and without any concrete plans to resume use, a company could almost always assert truthfully that at some point, should conditions change, it would resume use of its mark.

We do not think Congress contemplated such an unworkable standard. More likely, Congress wanted a mark to be deemed abandoned once use has been discontinued with an intent not to resume within the reasonably foreseeable future. This standard is sufficient to protect against the forfeiture of marks by proprietors who are temporarily unable to continue using them, while it also

prevents warehousing of marks, which impedes commerce and competition.

We are buttressed in this conclusion by the fact that the statute requires proof of "intent not to resume," rather than "intent to abandon." The statute thus creates no state of mind element concerning the ultimate issue of abandonment. On the contrary, it avoids a subjective inquiry on this ultimate question by setting forth the circumstances under which a mark shall be "deemed" to be abandoned. Of course, one of those circumstances is intent not to resume use, which is a matter of subjective inquiry. But we think the provision, by introducing the two concepts of "deemed" abandonment and intent not to resume use, contemplates a distinction, and it is a distinction that turns at least in part on duration of the contemplated non-use.

Congress's choice of wording appears to have been deliberate. One early version of what became section 45 of the Lanham Act had provided that "[i]ntent to *abandon* may be inferred from the circumstances." H.R. Rep. 4744, 76th Cong., 1st Sess. (1939) (emphasis added). However, shortly thereafter a new bill modified this phrase by substituting "[i]ntent not to resume" for "[i]ntent to abandon." H.R. Rep. 6618, 76th Cong., 1st Sess. (1939). Though it has been suggested that the phrases are interchangeable, *see* Note, 56 Fordham L. Rev. 1003, 1020 n.113 (1988), we agree with the Fifth Circuit that the phrases are better understood as having distinct meanings. *See Exxon Corp. v. Humble Exploration Co.*, 695 F.2d 96, 102, 103 n.7 (5th Cir. 1983). "Abandonment" connotes permanent relinquishment. *See Webster's Third New International Dictionary* 2 (1981) (defining "abandon" to mean "to cease to assert . . . an interest . . .

esp. with the intent of *never* again resuming or reasserting it) (emphasis added). We think that Congress, by speaking of "intent not to resume" rather than "intent to abandon" in this section of the Act meant to avoid the implication that intent never to resume use must be shown.[4]

This approach is consistent with our recent decisions concerning trademark abandonment. In *Saratoga Vichy Spring Co. v. Lehman*, *supra*, we rejected a claim of abandonment based on seven years of non-use where the initial decision to cease use resulted from a decision of the state legislature and the state, which was the trademark owner, continuously sought to sell the mark along with the mineral water business to which it applied. Similarly, in *Defiance Button Machine Co. v. C & C Metal Products Corp.*, 759 F.2d 1053 (2d Cir.), *cert. denied*, 474 U.S. 844 (1985), we rejected an abandonment claim where, during a brief period of non-use, the proprietor tried to sell the mark, its associated goodwill, and some other assets and, upon failing to find a buyer, became a subsidiary of a company in its original line of trade and prepared to resume its business. In both cases, the proprietor of the mark had an intention to exploit the mark in the reasonably foreseeable future by resuming its use or permitting its use by others.

The undisputed facts of the pending case are entirely different. Unlike the proprietors in *Saratoga Vichy* and

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4 An early Supreme Court case involving abandonment under pre-Lanham Act, common law trademark said that proof of abandonment must include proof of an "intent to abandon." *Saxlehner v. Eisner & Mendelson Co.*, 179 U.S. 19, 31 (1900). In cases applying the Act, we have also on occasion used the phrase "intent to abandon," *see Saratoga Vichy Spring Co. v. Lehman*, *supra*, 625 F.2d at 1044, but decisions using the phrase have not faced the issue whether the requisite intent is never to resume use or not to resume in the reasonably foreseeable future. Where that choice matters, as in this case, the statutory phrase "intent not to resume" better describes the requisite mental element.

Defiance Button, CBS has not been endeavoring to exploit the value of its marks, failing to do so only because of lack of business opportunities. Instead, it has decided, albeit for socially commendable motives, to forgo whatever business opportunities may currently exist in the hope that greater opportunities, unaccompanied by adverse public reaction, will exist at some undefined time in the future.

A proprietor who temporarily suspends use of a mark can rebut the presumption of abandonment by showing reasonable grounds for the suspension and plans to resume use in the reasonably foreseeable future when the conditions requiring suspension abate. *See, e.g., Star-Kist Foods, Inc. v. P.J. Rhoades & Co.*, 769 F.2d 1393 (9th Cir. 1985); *Chandon Champagne Corp. v. San Marino Wine Corp.*, 335 F.2d 531, 535 (2d Cir. 1964); *Continental Distilling Corp. v. Old Charter Distillery Co.*, 188 F.2d 614, 619-20 (D.C. Cir. 1950). But a proprietor may not protect a mark if he discontinues using it for more than 20 years and has no plans to use or permit its use in the reasonably foreseeable future. A bare assertion of possible future use is not enough.

We recognize the point, forcefully made by Judge Goettel, when he wrote:

> It would be offensive to basic precepts of fairness and justice to penalize CBS, by stripping it of its trademark rights, merely because it succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interests of the community.

Silverman II, 666 F. Supp. at 581. Nonetheless, we believe that however laudable one might think CBS's motives to be, such motives cannot overcome the undisputed facts that CBS has not used its marks for more than 20 years

and that, even now, it has no plans to resume their use in the reasonably foreseeable future. Though we agree with Judge Goettel that CBS should not be penalized for its worthy motive, we cannot adjust the statutory test of abandonment to reward CBS for such motive by according it protection where its own voluntary actions demonstrate that statutory protection has ceased. Moreover, we see nothing in the statute that makes the consequence of an intent not to resume use turn on the worthiness of the motive for holding such intent.

We are also mindful of the facts, relied on by the District Court, that show some minor activities by CBS regarding its properties, allegedly sufficient to rebut abandonment of the marks. These are CBS's actions in licensing the programs for limited use in connection with documentary and educational programs, challenging infringing uses brought to its attention, renewing its copyrights, and periodically reconsidering whether to resume use of the programs. But challenging infringing uses is not use, and sporadic licensing for essentially non-commercial uses of a mark is not sufficient use to forestall abandonment. *Cf. Exxon Corp. v. Humble Exploration Co.*, *supra*, 695 F.2d at 102 (use must be "commercial use" to avoid abandonment). Such uses do not sufficiently rekindle the public's identification of the mark with the proprietor, which is the essential condition for trademark protection, nor do they establish an intent to resume commercial use. CBS's minor activities, like worthy motives for non-use, cannot dispel the legal consequence of prolonged non-use coupled with an intent not to resume use in the reasonably foreseeable future. *See Kirkland v. National Broadcasting Co.*, 425 F. Supp. 1111, 1117-18 (E.D. Pa. 1976), *aff'd mem.*, 565 F.2d 152 (3d Cir. 1977)

(abandonment after 23-year period without commercial exploitation).

An adjudication of trademark rights often involves a balancing of competing interests. *See La Societe Anonyme des Parfums Le Galion v. Jean Patou, Inc.*, 495 F.2d 1265, 1274 n.11 (2d Cir. 1974). In weighing the competing interests and reaching our conclusion concerning abandonment, we are influenced in part by the context in which this dispute arises—one in which the allegedly infringing use is in connection with a work of artistic expression. Just as First Amendment values inform application of the idea/expression dichotomy in copyright law, *see Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 556 (1985), in similar fashion such values have some bearing upon the extent of protection accorded a trademark proprietor against use of the mark in works of artistic expression.

Ordinarily, the use of a trademark to identify a commodity or a business "is a form of commercial speech and nothing more." *Friedman v. Rogers*, 440 U.S. 1, 12 (1979). Requiring a commercial speaker to choose words and labels that do not confuse or deceive protects the public and does not impair expression. *See, e.g., United States v. Ninety Five Barrels, More or Less, Alleged Cider Vinegar*, 265 U.S. 438, 443 (1924) ("It is not difficult to choose statements, designs and devices which will not deceive."); *cf. Vidal Sassoon, Inc. v. Bristol-Myers Co.*, 661 F.2d 272, 276 n.8 (2d Cir. 1981) (First Amendment concerns do not justify alteration of normal standard of preliminary injunctive relief on Lanham Act claim involving shampoo advertisements).

In the area of artistic speech, however, enforcement of trademark rights carries a risk of inhibiting free expres-

sion, *cf. L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 28-29 (1st Cir.), *cert. denied*, 107 S. Ct. 3254 (1987), not only in the case at hand but in other situations where authors might contemplate use of trademarks in connection with works of artistic expression. These risks add some weight to Silverman's claims.[5]

From the standpoint of the proprietor of a mark in a work of artistic expression, there is also an interest in expression, along with the traditional trademark interest in avoiding public confusion as to source. Trademark law can contribute to a favorable climate for expression by complementing the economic incentive that copyright law provides to create and disseminate artistic works, *see Harper & Row Publishers, Inc. v. Nation Publishers*, *supra*, 471 U.S. at 558. In this case, however, the expression interest on CBS's side is markedly diminished by its decision to withhold dissemination of the works with which its marks are associated.

The interest of CBS, and the public, in avoiding public confusion, an interest obviously entitled to weight in every trademark case, is also somewhat diminished in the context of this case. This interest is not as weighty as in a case involving a non-artistic product whose trademark is associated with high quality or other consumer benefits. Though Silverman undoubtedly hopes that some of his audience will be drawn from those who favorably recall the "Amos 'n' Andy" programs, we doubt if many who attend Broadway musicals are motivated to purchase tickets because of a belief that the musical is produced by the

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5 Although *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200 (2d Cir. 1979), rejected a movie theater's First Amendment defense to a trademark infringement claim, that ruling was in the context of a pornographic film that used blatantly false and misleading advertisements.

same entity responsible for the movie, book, or radio or television series on which it is based. That is not to say that the musical is in a sufficiently distinct line of commerce to preclude all protection; the holder of a mark associated with a television series would normally be entitled to "bridge the gap" and secure some protection against an infringing use of the mark in connection with a Broadway musical. It is to say, however, that most theater-goers have sufficient awareness that the quality of a musical depends so heavily on a combination of circumstances, including script, score, lyrics, cast, and direction that they are not likely to be significantly influenced in their ticket-purchasing decision by an erroneous belief that the musical emanated from the same production source as the underlying work.

The point must not be overstated. Trademark protection is not lost simply because the allegedly infringing use is in connection with a work of artistic expression. But in determining the outer limits of trademark protection—here, concerning the concept of abandonment—the balance of risks just noted is relevant and in some cases may tip the scales against trademark protection. These considerations are especially pertinent in the pending case where some aspects of the material claimed to be protected by trademark are in the public domain as far as copyright law is concerned.

For all of these reasons, we conclude that the undisputed facts establish abandonment of the AMOS 'N' ANDY marks.

2. *Copyright Issues.* As a result of our ruling on the trademark side of the case, it becomes more important than it was in the District Court to determine the extent to which CBS's copyrights prevent Silverman from proceed-

ing with his musical. Judge Goettel, though acknowledging that the pre-1948 radio scripts were in the public domain as far as copyright law was concerned, gave Silverman no declaration of any rights concerning the "Amos 'n' Andy" characters because of his ruling on the trademark side of the case. Our rejection of that ruling thus alters the context in which the copyright issues arise.

On this appeal, Silverman does not challenge the District Court's finding that his script for his musical infringes CBS's copyright in at least one of CBS's post-1948 radio scripts. He does assert the right to use the pre-1948 radio scripts and also contends that CBS lost its copyright in the television programs by distributing ("bicycling") them to local television stations without copyright notice affixed. In the view we take of this case, the rights of the parties that need to be adjudicated at this time may be determined without resolution of the validity of the CBS copyrights in the television programs. The validity of those copyrights appears to turn on the precise factual circumstances surrounding the distribution of the television programs, and those circumstances have not been sufficiently developed on this record. Development of that factual record, however, may await the production of Silverman's musical, since until then (and perhaps even after that point) the pending CBS claim of copyright infringement and Silverman's claim to a declaration of right to make some use of the "Amos 'n' Andy" material may be adjudicated without consideration of the validity of CBS's copyrights in the television programs.

The fundamental copyright principle applicable to this case is that a copyright affords protection only for original works of authorship and, consequently, copyrights in derivative works secure protection only for the incremen-

tal additions of originality contributed by the authors of the derivative works. *See* 1 *Nimmer on Copyright* §§ 2.01, 3.04 (1988). Thus, the CBS copyrights in the post-1948 radio scripts programs, and whatever rights it may have in the television scripts and programs (assuming for the moment that the programs have not been published without copyright notice) provide protection only for the increments of expression beyond what is contained in the pre-1948 radio scripts, which are in the public domain. This principle is fully applicable to works that provide further delineation of characters already sufficiently delineated to warrant copyright protection. *See Burroughs v. Metro-Goldwyn-Mayer, Inc.*, 683 F.2d 610, 631 (2d Cir. 1982) (Newman, J., concurring).

This basic principle has some favorable consequences for both CBS and Silverman. For CBS, it means, as the District Court determined, that CBS is entitled to prevail on its claim that Silverman's script infringes the CBS copyright in at least one of the post-1948 radio scripts because significant dialogue appearing in that script (and not contained in the pre-1948 scripts) has been copied by Silverman in his script for his musical. For Silverman, the basic copyright principle means that he is entitled to use the public domain material from the pre-1948 scripts and may do so up to the point at which he copies original expression added to the pre-1948 radio scripts and protected by valid CBS copyrights.

With respect to the "Amos 'n' Andy" characters, which are at the heart of this litigation, we have no doubt that they were sufficiently delineated in the pre-1948 radio scripts to have been placed in the public domain when the scripts entered the public domain. *See Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930), *cert. denied*,

282 U.S. 902 (1931). What Silverman may not use, however, is any further delineation of the characters contained in the post-1948 radio scripts and the television scripts and programs, if it is ultimately determined that these last items remain protected by valid copyrights.

Judge Goettel recognized the basic principles that apply to the copyright claims of both sides but in one respect misapplied them, according CBS too much protection in implementing his conclusion that "characters that are in the public domain in a literary work [are] protectable by copyright in an audiovisual work." *Silverman I*, 632 F. Supp. at 1355. Though he correctly observed that "[t]he visual representation of these characters, recorded on film, is the expression of an idea that goes beyond the word portraits in the public domain scripts," he erred in concluding that "duplication of the characters as they appeared on television would infringe CBS's copyrights." *Id.* Since only the increments of expression added by the films are protectable, Silverman would infringe only if he copies these protectable increments. It is, of course, likely that the visual portrayal of the characters added something beyond the delineation contained in the public domain radio scripts, but surely not every visual aspect is protected. For example, the fact that the characters are visibly Black does not bar Silverman from placing Black "Amos 'n' Andy" characters in his musical, since the race of the characters was a feature fully delineated in the public domain scripts. Similarly, any other physical features adequately described in the pre-1948 radio scripts may be copied even though those characteristics are visually apparent in the television films or tapes.

3. *Relief.* There remains the determination of appropriate relief. Since Silverman does not challenge the award

of damages for infringement of the post-1948 radio scripts, those damages and the related attorney's fees in the total amount of $19,403.07 are affirmed.

The situation concerning non-monetary relief is somewhat more complicated. The judgment awards CBS an injunction barring Silverman from creating a script, or a musical based on a script, "containing any substantial copy or derivative work based upon any episode of an Amos 'n' Andy radio or television program created by or for CBS in or after August 1948." It is not clear whether this injunction is designed to prohibit copying of any aspect of the post-1948 programs or, because of the word "episode," to prohibit copying only the plots of such episodes. The first possibility is too broad, and the second could be both too broad and too narrow (too broad if some of the plots were in the public domain pre-1948 radio scripts and too narrow if the post-1948 copyrightable materials contain protectable elements in addition to plots).

What the injunction should prohibit is copying any of the protectable elements of the works in which CBS holds valid copyrights. Those works include the post-1948 radio scripts, the television scripts, and possibly the television programs (depending on the ultimate outcome of the "bicycling" dispute). The protectable elements of these copyrighted materials are those elements that constitute increments of expression additional to what is contained in the pre-1948 radio scripts and that satisfy the minimal copyright requirement of originality. Framing an injunction in terms of a legal conclusion concerning protectable increments of expression is not entirely satisfactory, but the alternative of trying to identify at this stage every protectable element of the copyrighted materials is even less

satisfactory. Precise determination of such elements will have to await the situation, should it ever arise, where Silverman prepares a script that arguably infringes a protectable element of these materials and CBS asserts a claim of infringement. If in such a proceeding CBS claims that Silverman has infringed the protectable elements of a television program, the "bicycling" issue will also have to be determined.

We also defer precision in framing relief on Silverman's claim for a declaratory judgment. Silverman should now receive a declaration that he is entitled to use all aspects of the "Amos 'n' Andy" materials, including names, stories, and characters, to the extent that such elements of expression are contained (or, in the case of characters, to the extent delineated) in the pre-1948 radio scripts, which are in the public domain. As with the injunction, it is not satisfactory to leave the scope of this declaration imprecise, but it would be less satisfactory to attempt to identify all the unprotected elements that Silverman is free to use.

On balance, we think we have adjudicated the legal rights of Silverman and CBS sufficiently to minimize the likelihood of further controversy. Though future disputes might arise, Silverman will now have ample latitude to proceed with his musical, though observing the copyrights that CBS indisputably holds in the post-1948 radio scripts, and he may find it unnecessary to test the full extent of CBS's rights in other materials. With this opinion at hand, we will expect the parties to cooperate in either framing an agreed upon form of judgment for submission to the District Court on remand, or at least narrowing any disputes they may have and submitting variations of language only as to such disputes. In the event of a subsequent appeal

from the entry of judgment upon remand, this panel will retain jurisdiction.

The judgment of the District Court is affirmed in part and vacated in part. Specifically, paragraphs 2, 4, 6, and 8 of the judgment are affirmed; paragraphs 1, 3, 5, and 7 are vacated;[6] paragraph 9 is affirmed to the extent that it dismisses CBS's second, third, and fourth counterclaims without prejudice and in all other respects is vacated; and the cause is remanded to the District Court for entry of a revised judgment, including declaratory and injunctive relief to CBS and declaratory relief to Silverman, all in accordance with this opinion.

Affirmed in part, vacated in part, and remanded. No costs.

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6 Paragraph 7 allowed CBS its costs in the District Court. Our vacatur of that paragraph is without prejudice to such award of costs incurred in the trial court as the District Court may deem appropriate in view of the ultimate disposition of this litigation.

UNITED STATES DISTRICT COURT

S.D. NEW YORK

No. 84 Civ. 1894 (GLG)

April 14, 1986

STEPHEN M. SILVERMAN,

Plaintiff,

v.

CBS INC.,

Defendant.

Wofsey, Certilman, Haft, Lebow & Balin, New York City (Barry I. Fredericks and Jonathan D. Davis, of counsel), and Arrow, Edelstein, Gross & Asher, New York City, for plaintiff.

Moses & Singer, New York City (David Rabinowitz, Stanley Rothenberg and Erica Weissman, of counsel), for defendant.

OPINION

GOETTEL, District Judge:

The plaintiff in this action, Stephen M. Silverman, seeks a declaration regarding his right to use parts of the "Amos 'n' Andy" radio programs broadcast from March 1928, through March 1948, in a Broadway musical comedy he has written. The defendant, CBS Inc., claims to hold valid copyrights as well as trademark rights in the Amos 'n' Andy radio and television programs, and asserts counterclaims against Silverman for, *inter alia*, copyright infringement, trademark infringement, and unfair competition. Before the Court is CBS's motion for summary judgment seeking (1) dismissal of the complaint and (2) determination of liability on its counterclaims.

I. BACKGROUND

Beginning in 1928, Freeman F. Gosden ("Gosden") and Charles J. Correll ("Correll") created and broadcast a radio program known as "The Amos 'n' Andy Show." On August 19, 1948, Gosden and Correll assigned all of their rights in the Amos 'n' Andy scripts and radio programs, along with any goodwill attached to their creations, to CBS. Under the same agreement, Gosden and Correll continued to create new scripts for CBS. CBS broadcast "The Amos 'n' Andy Show" on radio until 1955. Beginning in 1951, CBS also broadcast an "Amos 'n' Andy" television series. The television series aired on network affiliate stations until 1953, and continued in nonnetwork syndication until 1966.

In 1981, the plaintiff began writing a script for a Broadway musical comedy based on the characters of Amos and Andy. In an effort to avoid potential litigation, the plaintiff asked CBS for a license to use the Amos 'n' Andy characters in his script. CBS refused the plaintiff's request. The plaintiff nevertheless completed his script and sought financial backing for a Broadway production.

In early 1984, the plaintiff filed this action seeking a declaration that the "Amos 'n' Andy" radio programs broadcast from March 1928, through March 1948, are in the public domain and that, therefore, he is free to make use of any parts of these programs. The plaintiff seeks a further declaration that CBS has no rights in these programs "under statutory or common law copyright and trademark, common law unfair competition, state anti-dilution law, common law or statutory rights of privacy or publicity, or any other jurisprudential theory." Complaint ¶ 1.b at 8. The plaintiff contends that CBS has abandoned any trademark rights it may have had, because it has not used any Amos 'n' Andy trademarks for twenty years and has failed to police the use of these marks by others.

In April 1984, the defendant moved to dismiss the complaint for lack of a justiciable controversy. In an oral decision on June 8, 1984, we denied the defendant's motion noting that (1) the plaintiff had already made substantial preparations to produce his play, (2) threats of suits against other users of the Amos and

Andy characters created a substantial likelihood that CBS would similarly assert its rights against Silverman, and (3) the likelihood of a suit by CBS was making it difficult for the plaintiff to obtain the financial backing necessary for his production.

In early 1985, CBS amended its answer and asserted five counterclaims: (1) copyright infringement, (2) trademark infringement under section 43(a) of the Federal Trademark Act of 1946, 15 U.S.C. § 1125(a) (1982), (3) common law trademark infringement and unfair competition, (4) misappropriation of CBS's goodwill associated with the "Amos 'n' Andy" trademarks, and (5) improper registration of one of the plaintiff's scripts as an original work. The defendant now seeks summary judgment on these counterclaims and dismissal of the plaintiff's complaint. The plaintiff argues that numerous issues of fact mandate denial of summary judgment. He also seeks sanctions under Rule 11, claiming that the defendant's motion is harassing and brought in bad faith.

The instant summary judgment motion addresses the plaintiff's first script, entitled "Amos 'n' Andy Go To The Movies."[1] In opposing this motion, the plaintiff has submitted a revised script, entitled "Fresh Air Taxi." He has purportedly deleted all dialogue and descriptions identified by CBS in its moving papers as infringing. CBS has not specifically addressed whether "Fresh Air Taxi" infringes its copyrights. However, it contends that (1) the plaintiff's creation and distribution of "Amos 'n' Andy Go To The Movies" has already infringed its copyrights, and (2) any play based on the Amos 'n' Andy characters will infringe its copyrights and trademarks, and

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1 Sometime between May 1984, and June or July 1984, the plaintiff made some minor changes in his script, including changing the title to "Amos 'n' Andy In Hollywood." Silverman Deposition at 11-13, 35-36, 42. According to CBS, these changes do not affect its claim of copyright infringement as presented in this motion. Defendant's Memorandum in Support of Motion for Summary Judgment at 9 n. 2. The plaintiff has recently made more substantial script changes and retitled his work "Fresh Air Taxi." (See text immediately following note.) For the sake of simplicity, all references herein to "Amos 'n' Andy Go To The Movies," or the plaintiff's early script, shall also refer and apply to "Amos 'n' Andy In Hollywood."

constitute unfair competition and dilution of its marks. Consequently, we must consider whether CBS has valid copyrights and/or trademark rights in the Amos 'n' Andy shows and, if so, whether the plaintiff has infringed those rights. For the reasons stated below, the defendant's motion for summary judgment is granted in part and denied in part.

II. DISCUSSION

Rule 56 of the Federal Rules of Civil Procedure states that summary judgment shall be granted if "there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed.R.Civ.P. 56(c). The burden is on the moving party to demonstrate an absence of material factual dispute. *Heyman v. Commerce and Industry Insurance Co.*, 524 F.2d 1317, 1320 (2d Cir.1975). It is incumbent upon the court in deciding whether there is any genuine factual issue to resolve all ambiguities and draw all reasonable inferences against the moving party. *Universal City Studios, Inc. v. Nintendo Co.*, 746 F.2d 112, 115 (2d Cir.1984); *EEOC v. Home Insurance Co.*, 672 F.2d 252, 257 (2d Cir.1982).

A. *Copyright*

The copyright laws protect original works of authorship, "that is, the author's tangible expression of his ideas." *Mazer v. Stein*, 347 U.S. 201, 214, 74 S.Ct. 460, 468, 98 L.Ed. 630 (1954). Copyright protection arises when a work is created and gives the author certain exclusive rights for a limited period of time. The requirements for, and duration of, copyright protection vary, depending on the law in effect when a work was created. The current Copyright Act, 17 U.S.C. §§ 101-914 (1982 & Supp. II 1984), was enacted October 19, 1976 (the "1976 Act"), and became effective January 1, 1978, long after the works at issue in this action were created. Consequently, our examination of copyrights for the Amos 'n' Andy radio and television shows must focus on the Copyright Act of 1909 (the "1909 Act"). *See Walt Disney Productions v. Air Pirates*, 581 F.2d 751, 754 (9th Cir.1978), *cert. denied sub nom. O'Neill v. Walt*

Disney Productions, 439 U.S. 1132, 99 S.Ct. 1054, 59 L.Ed.2d 94 (1979).

Under the 1909 Act, an author could secure copyright by publishing a work with the required copyright notice. 1909 Act § 9.[2] He could then obtain registration of his copyright by depositing two copies of the work with the Copyright Office. 1909 Act §§ 10, 12.[3] If the author never reproduced his work for sale, he could secure copyright registration by depositing one copy of the work with the Copyright Office along with his claim of copyright. 1909 Act § 11.[4] This statutory copyright endured for twenty-eight years, and was renewable for an additional twenty-eight years. 1909 Act § 23.[5] Common law copyright protected a work indefinitely if it remained unpublished

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2 Section 9 of the 1909 Act states, in pertinent part, "Any person entitled thereto by this title may secure copyright for his work by publication thereof with the notice of copyright required by this title; and such notice shall be affixed to each copy thereof published or offered for sale. . . ."

3 Section 10 provides that an author who publishes his work with copyright notice "may obtain registration of his claim to copyright by complying with the provisions of this title, including the deposit of copies, and upon such compliance the Register of copyrights shall issue to him the certificates provided for in section 209 of this title." The requirements for "deposit of copies after publication" are set forth in section 12:

> After copyright has been secured by publication of the work with the notice of copyright as provided in section 10 of this title, there shall be promptly deposited in the Copyright Office or in the mail addressed to the Register of Copyrights, Washington, District of Columbia, two complete copies of the best edition thereof then published, . . .

4 Section 11 of the 1909 Act provides, in pertinent part, "Copyright may also be had of the works of an author, of which copies are not reproduced for sale, by the deposit, with claim of copyright, of one complete copy of such work if it be a lecture or similar production or a dramatic, musical, or dramatico-musical composition; . . ."

5 Section 23 of the 1909 Act provides as follows: "The copyright secured by this title shall endure for twenty-eight years from the date of first publication, . . . [and] the proprietor of such copyright shall be entitled to a renewal and extension of the copyright in such work for the further term of twenty-eight years. . . ."

and unregistered. 1909 Act § 2.[6] Under the 1976 Act, all common law copyrights were converted to statutory copyrights as of January 1, 1978. They now expire at a fixed time, but no earlier than December 31, 2002. 17 U.S.C. § 303 (1982). Publication without copyright notice divested an author of all protection and cast the work into the public domain. *See* 1 M. Nimmer, *Nimmer on Copyright* § 4.01[B] at 4-5 (1985) (hereafter "*Nimmer*").

The concept of "publication" is pivotal in determining copyright validity under the 1909 Act. However, that statute never explicitly defines publication. *See* 1 *Nimmer* § 4.04 at 4-17. As we attempt to unravel the gordian knot of the claims and counterclaims herein, we will further explore this "arcane and unsettled area of law." *American Vitagraph, Inc. v. Levy*, 659 F.2d 1023, 1026 (9th Cir.1981).

The plaintiff has asked for a declaration of his rights regarding the Amos 'n' Andy radio shows broadcast between 1928 and 1948. However, the defendant asserts that the plaintiff has infringed its copyrights in the radio shows *after* 1948, and the Amos 'n' Andy television programs. Since different issues arise as to the copyrights in these three groups of works, we will address each separately.

1. *The 1928-1948 Radio Shows*

The plaintiff claims that the Amos 'n' Andy radio programs from March 1928, through March 1948, are in the public domain and that CBS has no proprietary rights in any part of these programs. CBS concedes that the *scripts* of these programs are in the public domain because, although registered for copyright by the show's creators, Gosden and Correll, the copyright registrations were never renewed. CBS contends, however, that the *broadcasts* of these early radio shows were never "published" and remain protected by common law copyright, converted to statutory copyright under the 1976 Act.

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6 Section 2 of the 1909 Act states, "Nothing in this title shall be construed to annul or limit the right of the author or proprietor of an unpublished work, at common law or in equity, to prevent the copying, publication, or use of such unpublished work without his consent, and to obtain damages therefor."

Public performance of a work is not considered a publication that divests an author of copyright protection. *See* 1 *Nimmer* § 4.08[A]. "[T]he rendering of the performance before the microphone cannot be held to be an abandonment of ownership to it by the proprietors or a dedication of it to the public at large." *Uproar Co. v. National Broadcasting Co.*, 8 F.Supp. 358, 362 (D.Mass.1934), *modified*, 81 F.2d 373 (1st Cir.1935), *cert. denied*, 298 U.S. 670, 56 S.Ct. 835, 80 L.Ed. 1393 (1936). Thus, the radio broadcasts of the Amos 'n' Andy shows were not publications and did not divest Gosden and Correll of their common law copyrights. CBS, as assignee of those rights, remains the copyright proprietor until at least December 31, 2002. 17 U.S.C. § 303 (1982). Since a copyright owner has the exclusive right to reproduce the copyrighted work, prepare derivative works, distribute copies, and perform the work publicly, 17 U.S.C. § 106 (1982), CBS may prohibit unauthorized copying, distribution, or exhibition of the broadcasts, *i.e.*, the sound recordings of the radio shows. However, it does not presently appear that the plaintiff plans to use recordings of any of these broadcasts as part of his play. Consequently, it is immaterial that CBS retains copyrights in these works.

With the broadcasts protected, but not at issue, and the scripts in the public domain, the question becomes, may the plaintiff, as he proposes, freely use any part of these programs "including but not limited to, their title, characters, format, structure, themes, plots, character names and physical embodiments, characterizations and character relationships." Complaint ¶ 2(a) at 2. We cannot make so sweeping a declaration. Admittedly, the plaintiff can incur no liability for copyright infringement by using parts of the public domain scripts. However, if he makes "free use" of the items enumerated above, he may incur other liability. For example, despite loss of copyright protection, the Amos 'n' Andy characters may be protected by the law of trademark or unfair competition. *See* 1 *Nimmer* § 2.12 at 2-177 & n. 25. Consequently, the plaintiff is free to use the 1928-1948 scripts *only* if he does not infringe other property rights of CBS.

2. *The Post-1948 Radio Shows*

CBS asserts that, regardless of the copyright status of the radio shows *prior* to 1948, its copyrights in the programs *after* 1948 are valid. These post-1948 programs, says CBS, are the true source of substantial portions of the plaintiff's early script. While not admitting infringement, the plaintiff has responded to the instant motion by submitting a newly revised script. Fredericks Affidavit, Exhibit E. He has removed the name "Amos 'n' Andy" from the title and, purportedly, deleted all dialogue alleged by CBS to infringe its copyrights. CBS has not yet addressed whether any dialogue in the new script infringes its copyrights. It nevertheless presses its copyright counterclaims, contending that the plaintiff's revisions do not relieve him of liability for preparing and distributing his earlier, infringing script. We agree that if CBS demonstrates unauthorized copying of works in which it has valid copyrights, it is entitled to statutory damages and other relief, despite the plaintiff's recent script changes.

a. *Copyright Validity*

The broadcasts of the post-1948 radio shows, like the earlier broadcasts, were unpublished works protected by common law copyright under the 1909 Act. The remain protected by statutory copyright under the 1976 Act. The scripts of those shows were neither published nor registered for copyright when created. In January and February 1985, CBS registered these unpublished radio scripts with the Copyright Office. The plaintiff suggests that this belated registration is somehow invalid. We cannot agree. The 1976 Act provides,

> At any time during the subsistence of copyright in any published or unpublished work, the owner of copyright or of any exclusive right in the work may obtain registration of the copyright claim by delivering to the Copyright Office the deposit specified by this section together with the application and fee specified by sections 409 and 708.

> Subject to the provisions of section 405(a), such registration is not a condition of copyright protection.[7]

17 U.S.C. § 408(a) (1982). Copyright registration constitutes *prima facie* evidence of copyright validity. 17 U.S.C. § 410(c) (1982). *See Carol Barnhart Inc. v. Economy Cover Corp.*, 773 F.2d 411, 414 (2d Cir.1985). In the absence of any evidence rebutting this presumption of validity, we conclude that CBS holds valid copyrights in the post-1948 radio scripts.

b. *Infringement*

The elements of a claim for infringement are a showing of (1) valid copyright and (2) the unauthorized copying of the copyrighted work. *Warner Bros., Inc. v. American Broadcasting Co.*, 654 F.2d 204, 207 (2d Cir.1981) (hereafter "*Warner v. ABC* (I)"). Copying can rarely be proven directly. Rather, copying may be found upon a showing of (1) access to the copyrighted work and (2) a substantial similarity to that work. *Id.*; *Novelty Textile Mills, Inc. v. Joan Fabrics Corp.*, 558 F.2d 1090, 1092 (2d Cir.1977); *Arnstein v. Porter*, 154 F.2d 464, 468 (2d Cir.1946).

CBS alleges, and it is uncontested, that the plaintiff has read several scripts and listened to recordings of Amos 'n' Andy radio broadcasts.[8] Silverman Deposition at 23-24, 28. Since the plaintiff clearly had access to some, though not necessarily all, of the copyrighted radio programs, we find this prong of the infringement test is satisfied.

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7 Although not a condition of copyright protection, registration is required before a copyright owner can assert a legal claim for infringement. 17 U.S.C. § 411(a) (1982).

8 The plaintiff, who is now thirty-four or thirty-five years old, *see* Silverman Deposition at 7, is too young to have listened to the original Amos 'n' Andy radio broadcasts. One of the recordings he has listened to is a three-record phonograph album entitled "Amos 'n' Andy, The Best Loved Shows: 1946-1953." *See* Silverman Deposition, Exhibit J. This album contains a recording of a radio show entitled, "The 10,000th Broadcast," November 26, 1952, from which CBS claims the plaintiff copied substantial sections of dialogue.

The test of substantial similarity is whether an average lay observer would recognize one work as having been appropriated from another. *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022 (2d Cir.1966). Substantial similarity is often a factual issue not appropriately resolved on a motion for summary judgment. *See Warner Bros., Inc. v. American Broadcasting Co.*, *supra*, 720 F.2d 231, 239 (2d Cir.1983) (hereafter "*Warner v. ABC* (II)"); *Arnstein v. Porter*, *supra*, 154 F.2d at 473-74. However, when the evidence is so overwhelming that a court would be justified in ordering a directed verdict at trial, it is proper to grant summary judgment. *See Midway Mfg. Co. v. Bandai-America, Inc.*, 546 F.Supp. 125, 141 (D.N.J.1982), *aff'd*, 775 F.2d 70 (3d Cir.1985), *cert. denied*, ____ U.S. ____, 106 S.Ct. 1265, 89 L.Ed.2d 574 (1986); *Knickerbocker Toy Co. v. Genie Toys, Inc.*, 491 F.Supp. 526, 528 (E.D.Mo.1980); 3 *Nimmer* § 12.10 at 12-75 & n. 23. CBS has documented specific dialogue sequences from its copyrighted radio shows that the plaintiff has reproduced verbatim in his script entitled "Amos 'n' Andy Go To The Movies." *See* Brownell Affidavit at 3-4. We find that no reasonable person could conclude that these portions of the plaintiff's script were original rather than copied from the specified radio plays.

Having found access, and substantial similarity, the only remaining question is whether the plaintiff's use of the copyrighted material constitutes an unauthorized misappropriation. *See Arnstein v. Porter*, *supra*, 154 F.2d at 468-69. We find that it does. The plaintiff has, without authorization, reproduced parts of CBS's copyrighted works, prepared a derivative work, and distributed copies of that work.[9] He has also improperly

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9 The plaintiff's unauthorized use of the defendant's copyrighted works cannot be characterized as a permissible "fair use" within the meaning of section 107 of the 1976 Act, which provides that

> the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means . . . for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an

copyrighted his infringing script as original. Accordingly, we grant the defendant's motion for summary judgment on its first and fifth counterclaims for infringement of its copyrights in the post-1948 Amos 'n' Andy radio programs. The plaintiff's copyright registration, no. PAu 600-029, is declared void.[10] The plaintiff is enjoined from reproducing or distributing that script, and will be liable for damages to be determined at a later time.[11]

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infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;

(2) the nature of the copyrighted work;

(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

(4) the effect of the use upon the potential market for or value of the copyrighted work.

107 U.S.C. § 107 (1982). *Cf. Werlin v. Reader's Digest Association, Inc.*, 528 F.Supp. 451, 463-64 (S.D.N.Y.1981) (duplicated portions of copyrighted work were so small and insignificant as to be *de minimus*, and, therefore, non-infringing); *Elsmere Music, Inc. v. National Broadcasting Co.*, 482 F.Supp. 741, 743-44 (S.D.N.Y.), *aff'd*, 623 F.2d 252 (2d Cir.1980) (although copied portion of copyrighted composition was more than *de minimus*, its incorporation in a parody constituted a non-infringing fair use of the copyrighted work).

10 Only one registration is mentioned in the defendant's fifth counterclaim, which states that "[o]n or about April 10, 1984 Silverman procured the registration of a claim of copyright in one of [his] scripts (registration no. PAu 600-029. . . ." Defendant's Amended Answer and Counterclaims ¶ 33 at 13. Based on the date of registration, we presume the registered script is "Amos 'n' Andy Go To The Movies." *See supra* note 1. If the plaintiff has obtained registration for "Amos 'n' Andy In Hollywood," it too is deemed void, since the infringing dialogue in that script is virtually identical to the corresponding scenes in "Amos 'n' Andy Go To The Movies." It is not clear whether the plaintiff has obtained copyright registration for his more recent script, "Fresh Air Taxi." However, no evidence is presently before us regarding dialogue in that script that might infringe CBS's copyrights in the post-1948 radio scripts.

11 CBS seeks statutory damages, pursuant to 17 U.S.C. § 504, as well as punitive damages. We view the claim for punitive damages as one for

3. *The Television Shows*

CBS contends that the plaintiff has infringed its copyrights in the Amos 'n' Andy television shows by copying the appearance and costumes of the characters, and the stage settings used for those programs. Initially, we must decide whether CBS holds valid copyrights in the programs. If it does, we must determine if the scope of those copyrights protect the characters' appearance and costumes, and the stage settings. Then, we will consider if the plaintiff has infringed CBS's rights.

a. *Copyright validity*

CBS has presented copyright registrations and renewals for all of the television programs allegedly infringed by the plaintiff. Rabinowitz Affidavit, Exhibit A. As noted above, these registration statements constitute *prima facia* evidence of copyright. *See supra* p. 1350. The plaintiff challenges the validity of these registrations, claiming that many of the programs were "published," without copyright notice, prior to the "date of publication" stated on the registrations. Under the 1909 Act, publication without copyright notice resulted in loss of copyright protection, which could not be restored by subsequent registration. *See* 1 *Nimmer* § 4.01[B] at 4-5.

Most of the registrations list the date of publication as June 1, 1953, when the Amos 'n' Andy series was syndicated for exhibition on non-network television stations. At the time of syndication, each program contained copyright notice. CBS acknowledges that many programs were broadcast without copyright notice prior to syndication, but argues that such

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increased statutory damages for willful infringement pursuant to 17 U.S.C. § 504(c)(2) (1982). Any determination of "willfullness" involves the plaintiff's intent and, as such, is an issue of fact that requires an evidentiary hearing. Accordingly, we reserve the issue of damages for trial.

In addition to seeking statutory damages and a permanent injunction, CBS asks that the plaintiff be required to recall and deliver all copies of his infringing script. Since the plaintiff has revised that script, and the earlier version was not widely circulated and is of relatively little commercial value, we believe an injunction provides sufficient relief. We see no need for impounding the infringing script.

broadcasts did not constitute publication. CBS contends that no publication occurred until syndication, and perhaps not even then.[12] *See Paramount Pictures Corp. v. Rubinowitz*, 217 U.S.P.Q. 48 (E.D.N.Y.1981). *But see* 1 Nimmer § 4.11[B] at 4-55. As discussed earlier, radio broadcasts are considered mere performances, which do not constitute publication. *See supra* p. 1350. The plaintiff contends that television broadcasts should be viewed (no pun intended) differently. To broadcast a television show in the early 1950's, a network often had to send copies of a program to television stations across the country. The plaintiff asserts that this distribution constituted publication.

The common law recognized three ways in which original works could be exposed to the public: "exhibition or performance, limited publication, and general publication. Of these, only general publication results in loss of the common law copyright by the creator." *Burke v. National Broadcasting Co.*, 598 F.2d 688, 691 (1st Cir.), *cert. denied*, 444 U.S. 869, 100 S.Ct. 144, 62 L.Ed.2d 93 (1979).

> Public exhibition is not necessarily a general publication merely because the public generally is shown the work. The test of general publication is whether the exhibition of the work to the public is under such conditions as to show dedication without reservation of rights or only the right to view or inspect it without more. *American Tobacco Co. v. Werckmeister*, 207 U.S. 284 [28 S.Ct. 72, 52 L.Ed. 208] [(1907)]. If the conditions of publication are such that the only right is to look at the copy of the work exhibited there is no general publication. . . .

Patterson v. Century Productions, Inc., 93 F.2d 489, 492 (2d Cir.1937), *cert. denied*, 303 U.S. 655, 58 S.Ct. 759, 82 L.Ed. 1114 (1938). A limited publication "occurs when tangible copies of the work are distributed, but to a limited class of persons

12 We need not decide whether syndication constitutes "publication." CBS mooted that question by registering its copyrights in the Amos 'n' Andy shows with the date of syndication as the date of publication; the statutory period of protection runs from the publication date declared on the registrations.

and for a limited purpose." *Burke v. National Broadcasting Co., supra*, 598 F.2d at 692. "Mere limited publication has been found where the range and purpose of distribution did not suggest that the general public was free to obtain and use the work." *Id.*

In contending that early television broadcasts were general publications, the plaintiff asserts that it was common practice for copies of television programs to be "bicycled," that is, forwarded from one station to another rather than returned directly to the network. Thus, he argues, since CBS did not control the circulation of these copies, the programs are now in the public domain. However, CBS has submitted copies of agreements entered into with affiliate stations for broadcasting the Amos 'n' Andy television programs. These "Affiliation Agreements" contain a clause requiring the immediate return of copies of any program distributed for a single broadcast.[13] The plaintiff next alleges that, because there were so few affiliate stations in the early 1950's, CBS must have distributed copies to non-affiliate stations for the initial broadcast. Since non-affiliate stations presumably would not have signed Affiliation Agreements, the plaintiff implies that CBS had even less control over copies sent to them. Thus, he argues, the broadcasts were general publications. Other than the plaintiff's conclusory statements, there is no evidence in the record to support these allegations. Nevertheless, even if we accept the plaintiff's contentions, distributing copies of the Amos 'n' Andy television shows for synchronized national broadcast, even to non-

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13 Paragraph 4 of CBS's standard Affiliation Agreement reads as follows:

> 4. All programs to be broadcast by the Station hereunder will be delivered by [CBS] to the Station in the form of TV recordings, or otherwise. The Station agrees to observe any limitations [CBS] may place on the use of TV recordings and to return to [CBS] immediately following a single broadcast thereof, at such place as [CBS] may direct, and in the same condition as received by the Station, ordinary wear and tear excepted, each print or copy of the TV recording of each program, together with the reels and containers furnished therewith. Each such TV recording shall be used by the Station only for the purpose herein contemplated.

Clancy Deposition, Exhibit 1 at 3.

affiliate stations, falls far short of general publication. It certainly does not manifest a purpose to surrender all rights in the works and allow the public to copy them. *See National Comics Publications v. Fawcett Publications, Inc.*, 191 F.2d 594, 598 (2d Cir.1951). Rather, the initial broadcasts merely allowed the public "to view . . . [the television shows] without more." *Patterson v. Century Productions*, *supra*, 93 F.2d at 492. This was, at most, a "limited publication, which did not divest CBS of its copyrights in the Amos 'n' Andy television programs."

b. *Scope of Protection*

Under section 3 of the 1909 Act, copyright protection encompasses "all copyrightable component parts" of an author's work.[14] *See Walt Disney Productions v. Air Pirates*, *supra*, 581 F.2d at 754. Scenery, or other mechanical devices used in a dramatic presentation are generally not copyrightable. *See* 1 *Nimmer* § 2.13 at 2-178.2; H. Warner, *Radio and Television Rights* § 34 at 88 (1954). Whether characters are a copyrightable part of a copyrighted work is a much debated issue. *See* 1 *Nimmer* § 2.12; Marks, *The Legal Rights of Fictional Characters*, 25 ASCAP Copyright L.Symp. 35 (1980). Literary characters, if sufficiently delineated, have been found copyrightable. *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 121 (2d Cir.1930), *cert. denied*, 282 U.S. 902, 51 S.Ct. 216, 75 L.Ed. 795 (1931). Even if the Amos 'n' Andy characters are sufficiently delineated to be copyrightable, since some works containing those characters are in the public domain, the plaintiff argues that anyone may copy them in a derivative work. *See* 1 *Nimmer* § 2.12 at 2-176 to 2-177. CBS, however, alleges that the plaintiff has copied the costumes and appearance of the characters pictured in the Amos 'n' Andy television programs, and that

14 Section 3 of the 1989 Act states,

> The copyright provided by this title shall protect all the copyrightable component parts of the work copyrighted, and all matter therein in which copyright is already subsisting, but without extending the duration or scope of such copyright. The copyright upon composite works or periodicals shall give to the proprietor thereof all the rights in respect thereto which he would have if each part were individually copyrighted under this title.

these artistic representations are protectable component parts of the copyrighted works.

Cartoons, and other graphic representations of characters, have been afforded greater copyright protection than characters described only by words. *See Warner v. ABC* (II), 720 F.2d at 240; 1 *Nimmer* § 2.12 at 2-174; Note, *The Protection Afforded Literary and Cartoon Characters Through Trademark, Unfair Competition, and Copyright*, 68 Harv.L.Rev. 349, 358 (1954). Copyright protection has been found appropriate for characters visually depicted in a movie. *Ideal Toy Corp. v. Kenner Products Division of General Mills Fun Group, Inc.*, 443 F.Supp. 291, 301 (S.D.N.Y.1977). The personification of the Amos 'n' Andy characters on television is analogous to the visual depiction of movie characters. However, we must consider a novel issue: are characters that are in the public domain in a literary work protectable by copyright in an audiovisual presentation? We believe they are. The visual representation of these characters, recorded on film, is the expression of an idea that goes beyond the word portraits in the public domain scripts and is, therefore, protectable by copyright. *See* 17 U.S.C. § 102 (1982); *Sid & Marty Krofft Television Productions, Inc. v. McDonalds Corp.*, 562 F.2d 1157, 1168-69 (9th Cir.1977). Accordingly, we find that duplication of the characters as they appeared on television would infringe CBS's copyrights.

c. *Infringement*

There is no question about the plaintiff's access to Amos 'n' Andy television shows, since he has acknowledged owning a videotaped documentary containing Amos 'n' Andy film clips, and viewing an entire program at the Museum of Broadcasting. Silverman Deposition at 27, 51. Exhibits submitted by the plaintiff also include several videotapes of Amos 'n' Andy programs, which, presumably, the plaintiff has also viewed. Thus, access to the copyrighted works is deemed admitted.

The fact that the plaintiff proposes a production in a different medium (*i.e.*, a stage play rather than a television program) does not bar a claim of infringement. *See Ideal Toy Corp. v. Kenner Products*, *supra*, 443 F.Supp. at 301. However, the

question of substantial similarity prevents us from resolving this claim. Until the plaintiff presents his characters on stage, we cannot tell how closely they duplicate the appearance of the television characters. Accordingly, we must deny this aspect of the defendant's motion for summary judgment and dismiss as unripe the counterclaim for infringement of the Amos 'n' Andy television programs.

B. *Trademark*

The federal law of trademarks, 15 U.S.C. §§ 1051-1127 (1982 & Supp. II 1984) (the "Lanham Act") defines a trademark as

> any word, name symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify and distinguish his goods . . . from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

15 U.S.C. § 1127 (1982 & Supp. II 1984). Trademarks protect the public from being deceived as to the source and quality of goods, and protect the mark's owner from infringement of his property rights. *See* 1 J. McCarthy, *Trademarks and Unfair Competition* § 2:1 at 44 (2d ed. 1984) (hereafter "McCarthy"). A mark used to identify and distinguish services, (as opposed to goods) is also within the scope of the Lanham Act. "Titles, character names and other distinctive features of radio or television programs may be registered as services marks. . . ." 15 U.S.C. § 1127 (1982 & Supp. II 1984). A mark need not, however, be registered to be afforded protection under the Lanham Act. *See Warner Bros., Inc. v. Gay Toys, Inc.*, 658 F.2d 76, 78 (2d Cir.1981). In this circuit, the Lanham Act has been held to protect the physical appearances and costumes of entertainment characters, as well as their names. *DC Comics, Inc. v. Filmation Associates*, 486 F.Supp. 1273, 1277 (S.D.N.Y.1980).

A mark will be protected if it is inherently distinctive or has become distinctive through "secondary meaning." Secondary meaning is the association of a mark with its source.

> It contemplates that a word or phrase originally, and in that sense primarily, incapable of exclusive appropriation

> with reference to an article on the market, . . . might nevertheless have been used so long and so exclusively by one producer with reference to his article that, in that trade and to that branch of the purchasing public, the word or phrase had come to mean that the article was his product; in other words, had come to be, to them, his trademark.

G. & C. Merriam Co. v. Saalfield, 198 F.369, 373 (6th Cir. 1912).

CBS asserts trademark rights in the name "Amos 'n' Andy" as well as the names of the characters, and words and phrases repeatedly used on the Amos 'n' Andy programs.[15] The "Amos 'n' Andy" programs were popular on radio for almost thirty years, from 1928 to 1955. The television show was first aired in 1951 and ran in syndication until 1966. During those years, the radio and television shows, and their characters, clearly acquired distinctive meaning in the entertainment industry. As early as 1934, the program's creators, Gosden and Correll, prevailed in protecting their property rights in the name "Amos 'n'

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15 The defendant claims that the plaintiff's script contains, *inter alia*, the following names and phrases that constitute Amos 'n' Andy trademarks:

a. Amos 'N' Andy;
b. Amos Jones;
c. Andrew H. Brown;
d. George ("Kingfish") Stevens;
e. Algonquin J. Calhoun;
f. Sapphire Stevens;
g. Madame Queen;
h. Henry Van Porter;
i. Miss Blue;
j. Lightin';
k. Fresh Air Taxi Co.;
l. The Mystic Knights of the Sea;
m. "Hello folks. This is Amos . . .";
n. "Buzz me, Miss Blue";
o. "splain dat"
p. "Holy mackral";
q. "scuse me for protruding";
r. "battle axe."

Defendant's Statement Under Local Civil Rule 3(g) at 4-5.

Andy." *Feldman v. Amos and Andy*, 68 F.2d 746 (C.C.P.A. 1934).

We find that the name "Amos 'n' Andy," as well as the characters' names and appearances, and other distinctive features of the Amos 'n' Andy radio and television shows, are protectable marks. The words and phrases for which CBS claims trademark protection are not necessarily so distinctive as to constitute marks in their own right. However, if used in an attempt to recreate the characters, the words and phrases become a factor in determining whether the character marks have been infringed.

A claim of trademark infringement under section 43 of the Lanham Act, 15 U.S.C. § 1125(a) (1982), requires a showing of (1) validity, *i.e.*, that the public recognizes the mark or symbol as identifying the claimant's goods or services as distinguished from those of another, and (2) infringement, *i.e.*, use of that symbol by another which is likely to cause public confusion. 1 McCarthy § 15:1 at 657. Although various elements of the Amos 'n' Andy shows are protectable under the Lanham Act, a question remains as to the continued validity of CBS trademarks.

Trademark protection arises from the adoption and use of a distinctive mark. The Lanham Act permits the first user of a distinctive mark to register for statutory protection for a period of twenty years, which may be continually renewed, provided that the mark is being used or its nonuse is excusable. 15 U.S.C. §§ 1058, 1059 (1982).[16] Similarly, the cornerstone for protection of an unregistered, common law trademark is its continued use.

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16 Sections 1058 and 1059 provide, in pertinent part,

> Each certificate of registration shall remain in force for twenty years: *Provided*, That the . . . registrant shall file in the Patent and Trademark Office an affidavit showing that said mark is in use in commerce or showing that its nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark.
>
> * * * * * *
>
> Each registration may be renewed for periods of twenty years from the end of the expiring period upon . . . the filing of a verified appli-

A trademark is deemed abandoned "[w]hen its use has been discontinued with intent not to resume. Intent not to resume may be inferred from circumstances. Nonuse for two consecutive years shall be prima facie abandonment." 15 U.S.C. § 1127 (1982 & Supp. II 1984). *See Poncy v. Johnson & Johnson*, 460 F.Supp. 795, 799 (D.N.J.1978). CBS has not used the trademarks associated with Amos 'n' Andy for twenty years. It asserts that it intends to use the marks in the future and that the prolonged nonuse has been the result of "social changes beyond its control." Memorandum of Law in Support of Motion for Summary Judgement at 27. Temporary suspension of use of a mark due to circumstances beyond the owner's control may not result in abandonment. 1 McCarthy § 17:4 at 776-77. But, self-serving statements of intent to resume at some indefinite future time will not prevail over objective evidence of abandonment. *American Photographic Pub. Co. v. Ziff-Davis Pub. Co.*, 135 F.2d 569, 573 (7th Cir.1943); 1 McCarthy § 17:3C at 773. On the other hand, since abandonment results in forfeiture of property rights, it "should be strictly proved." *Saratoga Vichy Spring Co. v. Lehman*, 625 F.2d 1037, 1044 (2d Cir.1980). Although CBS has made a strong argument in support of its claim that it never intended to abandon the Amos 'n' Andy marks, this issue is a subjective one, which cannot be decided as a matter of law on the motion before us. Consequently, we deny the defendant's motion for summary judgment on its second counterclaim, and reserve for trial the issue of abandonment. Until the validity of CBS's trademarks is determined, the claim of infringement is premature.[17]

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cation therefor, setting forth . . . [the] current use of the mark, or showing that any nonuse is due to special circumstances which excuse such nonuse and it is not due to any intention to abandon the mark.

15 U.S.C. §§ 1058(a), 1059(a) (1982).

17 Trademark infringement is established by showing likelihood of public confusion regarding the owner of the mark. The protection afforded a trademark will depend on a number of factors including the strength of the mark, the similarity between the original and alleged infringing mark, the

C. *Unfair Competition*

The keystone of the law of unfair competition, as with trademark, is the likelihood of confusing the public. 1 McCarthy § 2:3 at 54. Actually, the common law of trademarks is considered part of the broader law of unfair competition. *Jean Patou, Inc. v. Jacqueline Cochran, Inc.*, 201 F.Supp. 861, 863 (S.D.N.Y. 1962), *aff'd*, 312 F.2d 125 (2d Cir.1963).

> It is possible to be guilty of unfair competition even when trademark infringement is not present, if use of a similar but noninfringing mark or device is combined with unfair practices in a manner which is likely to deceive purchasers regarding the origin of goods under all the circumstances.

Fotomat Corp. v. Photo Drive-Thru, Inc., 425 F.Supp. 693, 708-09 (D.N.J.1977). *See Jean Patou, Inc. v. Jacqueline Cochran, Inc., supra*, 201 F.Supp. at 865-66.

Distinctive literary and entertainer characterizations can be protected under the law of unfair competition. 1 McCarthy § 10:19. The plaintiff has indicated a desire to evoke the nostalgia of the Amos 'n' Andy radio and television shows. Whether his ultimate production accomplishes this and, in so doing, is likely to deceive the public as to the source of the show, are

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proximity of the products or services, and the alleged infringer's good faith in using the mark. *Poloroid Corp. v. Polarad Electronics Corp.*, 287 F.2d 492, 495 (2d Cir.), *cert. denied*, 368 U.S. 820, 82 S.Ct. 36, 7 L.Ed.2d 25 (1961). CBS will have to show that the public would believe it sponsored or otherwise approved the use of the mark. *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 204-05 (2d Cir.1979). This is an issue of fact based on the probable or actual reactions of the public. *American International Group, Inc. v. London American International Corp.*, 664 F.2d 348, 351 (2d Cir.1981). CBS has submitted a survey demonstrating public recognition of "Amos 'n' Andy," and some likelihood that a play entitled "Amos 'n' Andy Go To Hollywood" would be associated with the source of the Amos 'n' Andy radio and television programs. Baiman Affidavit at 2 & Exhibit A. However, the plaintiff is no longer using the name "Amos 'n' Andy" in his title and there may be considerably less public confusion regarding a play entitled "Fresh Air Taxi." Any significant public confusion is more likely to stem from the entire production that from just the title. Consequently, we decline to consider any claim of trademark infringement until the plaintiff actually presents his play.

issues of fact that cannot be decided at this juncture. We must, therefore, deny summary judgment on the defendant's third counterclaim. In addition, since a determination of this claim will depend on the characters as portrayed in the plaintiff's final production, this counterclaim is not ripe for adjudication and must be dismissed.

D. *Dilution*

CBS counterclaims for misappropriation of goodwill and dilution of its marks under New York's law of trademarks, service marks, and business reputation. N.Y.Gen.Bus.Law §§ 360 to 368-e (McKinney 1984). Section 368-d of that statute notes that a claim may be established even in the absence of likely confusion as to source.[18] However, CBS must demonstrate a blurring or a tarnishing of its marks. *Warner Bros. v. ABC* (II), *supra*, 720 F.2d 231 at 248. This will depend on (1) the validity of the marks, and (2) the plaintiff's finished product. If the abandonment issue is determined in CBS's favor, we must still await the plaintiff's production before deciding the dilution claim. Hence, we deny summary judgement on the defendant's fourth counterclaim and dismiss that claim as unripe.

E. *Sanctions—Rule 11*

The plaintiff seeks Rule 11 sanctions against CBS for filing a frivolous and harassing summary judgement motion. We find no such harassment by CBS. Rather, it would not be unreasonable to impose sanctions against the plaintiff for seeking a declaration of his rights to produce a play that he keeps changing when confronted with CBS's allegations of infringement. Since CBS has not sought sanctions against the plaintiff, we will not

18 Section 368-d provides as follows:

> Likelihood of injury to business reputation or of dilution of the distinctive quality of a mark or trade name shall be a ground for injunctive relief in cases of infringement of a mark registered or not registered or in cases of unfair competition, notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services.

N.Y.Gen.Bus.Law § 368-d (McKinney 1984).

impose any at this time. However, we will not allow the plaintiff to prolong this action indefinitely while he continues to revise his script in an effort to avoid further liability.[19]

III. CONCLUSION

The defendant's motion for summary judgement is granted in part and denied in part. The following summarizes our decision:

1. a) The *scripts* of the Amos 'n' Andy radio shows from 1928 to 1948 are in the public domain. CBS, however, retains valid copyrights in the radio broadcasts of those shows. The plaintiff may use the scripts without infringing CBS's copyrights. However, he could be liable for infringing other property rights owned by CBS, if CBS has not abandoned its Amos 'n' Andy trademarks.

b) CBS holds valid copyrights in the scripts and broadcasts of the Amos 'n' Andy radio shows created after August 1948. The plaintiff's script entitled "Amos 'n' Andy Go To The Movies" infringes CBS's copyrights. Consequently, we grant the defendant's motion for summary judgment on its first and fifth counterclaims for infringement of these works. The plaintiff is

19 When the defendant moved to dismiss this suit for lack of a justifiable controversy, we noted that the plaintiff had made substantial preparation to produce his play and had a legitimate apprehension of being sued by CBS if he persisted in his endeavors. Thus, we deemed it appropriate to deny the motion and allow this declaratory judgment action to proceed. We have held herein that CBS has valid copyrights in the Amos 'n' Andy television shows and post-1948 radio shows, the latter of which the plaintiff has already infringed by creating and distributing his early script. The plaintiff, however, has already changed that script. We realize that plays are often not finalized until opening night. But, it is now apparent that, along with the script, the visual presentation and effect of the plaintiff's production will be a significant factor in determining whether the plaintiff is infringing CBS's copyrights or, if still valid, its trademarks in the Amos 'n' Andy shows. For just this reason, we find a lack of justiciable controversy in most of CBS's counterclaims. We are prepared to go forward with a trial on the only remaining factual issue, *i.e.*, whether CBS has abandoned its Amos 'n' Andy trademarks, if the plaintiff wishes that issue tried before proceeding with his production. However, that is the extent of the declaratory relief we will consider.

enjoined from distributing or reproducing his infringing script, and its copyright registration (no. PAu 000-029) is declared void.

c) CBS holds valid copyrights in the Amos 'n' Andy television shows. These copyrights include protection of the characters as they appeared on television. We cannot determine whether plaintiff's work infringes these copyrights, because, until the plaintiff stages his proposed Broadway musical comedy, we cannot compare his characters' appearance with the originals. Consequently, we deny the defendant's motion for summary judgement on its first counterclaim, insofar as it alleges copyright infringement of the Amos 'n' Andy television shows, and dismiss this part of the first counterclaim, without prejudice.

2. The name "Amos 'n' Andy," the names and appearance of the characters, and other distinctive features of the Amos 'n' Andy radio and television shows, are protectable marks. However, a material issue of fact has been raised as to whether CBS has abandoned these marks. Accordingly, we deny CBS's motion for summary judgment on its second, third, and fourth counterclaims for trademark infringement, unfair competition, and dilution. Furthermore, these counterclaims must be dismissed as unripe. Only after the plaintiff presents his play will we be able to determine whether the characters or other aspects of the production actually infringe CBS's marks, blur or tarnish those marks, or confuse the public as to the show's source. Consequently, the defendant's second, third, and fourth counterclaims are dismissed, without prejudice.

3. We decline to impose sanctions against either party at this time.

SO ORDERED.

UNITED STATES DISTRICT COURT

S.D. New York

No. 84 Civ 1894 (GLG)

Aug. 3, 1987

STEPHEN M. SILVERMAN,

Plaintiff,

v.

CBS INC.,

Defendant.

Law Offices of Barry I. Fredericks, New York City (Barry I. Fredericks, Jonathan D. Davis, of counsel), for plaintiff.

Moses & Singer, New York City (David Rabinowitz, Stanley Rothenberg, of counsel), for defendant.

OPINION

GOETTEL, District Judge:

In the early days of radio, THE AMOS 'N' ANDY SHOW, created by Freeman F. Gosden and Charles J. Correll, was among the most popular shows on the air. Throughout the 1930's and 1940's, people across the country gathered around their radios to hear the domestic squabbles of "Kingfish" Stevens and his wife, Sapphire, the misadventures of Andy Brown, and the goings-on at the Mystic Knights of the Sea Lodge. To many, AMOS 'N' ANDY evokes a profound nostalgia of a simpler time.

In 1948, CBS purchased all rights in connection with THE AMOS 'N' ANDY SHOW, and retained Gosden and Correll to continue creating new episodes, which were aired on radio until 1955. In 1951, CBS began broadcasting THE AMOS 'N' ANDY

SHOW on television. The AMOS 'N' ANDY characters, as conceived by Gosden and Correll, were black, and were portrayed on television by black actors. On radio, the roles were played by Gosden and Correll, who were white, although publicity photos showed them in blackface.

In November 1964, CBS withdrew THE AMOS 'N' ANDY SHOW from television syndication. It did this in response to pressure from civil rights groups, especially the N.A.A.C.P., that claimed the show presented a demeaning portrayal of blacks.

Background

The background of this controversy is set forth in our prior decision, 632 F.Supp. 1344 (S.D.N.Y.1986) ("*Silverman I*"), and will not be repeated in its entirety. However, a brief recap may be helpful.

In 1981, plaintiff Steven M. Silverman, an entertainment reporter for the New York Post, wrote to CBS about his idea to create a Broadway musical based on AMOS 'N' ANDY. CBS rejected this idea and refused to grant Mr. Silverman a license to use AMOS 'N' ANDY in his proposed production.

In 1984, Mr. Silverman filed this suit seeking a declaration regarding his right to use the AMOS 'N' ANDY characters and other elements of the old radio and television shows. CBS quickly moved to dismiss the suit for lack of a justiciable controversy. The plaintiff responded that he had made substantial preparations to produce his play and was being hampered from obtaining necessary financing because of the likelihood that CBS would sue for infringement after the show was produced. We found the plaintiff's arguments sufficient to defeat the motion to dismiss.

Thereafter, CBS asserted five counterclaims against Silverman and moved for summary judgment. In deciding that motion, we found as follows: The scripts of the 1928-1948 radio programs are in the public domain, but CBS holds valid copyrights in all of the AMOS 'N' ANDY radio performances, and in the radio scripts after 1948; CBS also holds valid copyrights in all of the AMOS 'N' ANDY television programs. *Silverman I*,

supra, 632 F.Supp. at 1350-55. Moreover, the name AMOS 'N' ANDY, as well as the characters' names and appearances, and other distinctive features of the AMOS 'N' ANDY radio and television shows, are protectable trademarks. *Id.* at 1356-57. We reserved for trial the question of whether, due to nonuse, CBS has abandoned its rights in any marks associated with AMOS 'N' ANDY. That trial having been held, the following are our findings of fact and conclusions of law on the issue of abandonment.

Additional Facts

CBS has not exploited the AMOS 'N' ANDY radio and television series and the trademarks associated therewith (collectively, the "Property") for over twenty years. CBS has no present plan to resume use of the Property at a specific time in the future, but wishes to keep this option open. CBS strongly opposes use of the Property by anyone else.

A significant factor in CBS's desire to keep AMOS 'N' ANDY off the market is its concern with the sensitivity of the subject matter, and its expectation of again being put in disfavor with civil rights groups.

CBS has received numerous requests for licenses to use the Property, and has, for the most part, refused to grant them. The only uses of the Property that CBS has sanctioned have been educational or historical. For example, CBS used excerpts from the AMOS 'N' ANDY television series in a CBS News Special, OF BLACK AMERICA, broadcast in 1968. In 1972, CBS licensed the use of the same excerpts for inclusion in a motion picture entitled MALCOLM X. In 1982, CBS granted a license to the Writer's Workshop to incorporate elements of the Property in a limited run play entitled WHAT EVER HAPPENED TA AMOS 'N' ANDY? In 1983, CBS granted a license to Michael Avery to use excerpts from several television episodes of AMOS 'N' ANDY as part of a one-hour film documentary entitled AMOS 'N' ANDY: ANATOMY OF A CONTROVERSY.

CBS has periodically reconsidered other uses and licensing of the Property, but, to date, has rejected such proposals.

During the years since AMOS 'N' ANDY was withdrawn from broadcast, CBS has not aggressively policed its copyrights or trademark rights. However, when infringements have been brought to its attention, CBS has immediately demanded that infringers cease and desist unauthorized use of the Property.

In 1961, CBS obtained copyright registration for seven AMOS 'N' ANDY television episodes; these were renewed in 1981. In 1978 and 1980, CBS registered approximately 70 more episodes; these copyrights were also renewed in 1981. Between September 1984, and February 1985, CBS sought and obtained copyright registration for approximately 80 AMOS 'N' ANDY radio shows. CBS never sought trademark registration for the marks associated with AMOS 'N' ANDY.

After this litigation began, the plaintiff revised his script and deleted AMOS 'N' ANDY from the title of his proposed Broadway show; he also deleted all dialogue challenged by CBS as infringing.[1] The plaintiff's proposed production is still built around the AMOS 'N' ANDY characters.[2]

Discussion

As defined in the Lanham Act, 15 U.S.C. §§ 1051-1127 (1982), a trademark is "any word, name, symbol, or device . . . adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." *Id.* § 1127. "Titles, character names and other distinctive features of radio or television programs" are also protectable marks.[3] *Id.* This may include the physical appear-

1 Unfortunately, this did not save the plaintiff from a finding that the prior script had infringed CBS's copyrights. *See Silverman I*, *supra*, 632 F.Supp. at 1352.

2 The primary property right at issue here appears to be the right to use the AMOS 'N' ANDY characters, although, arguably, additional AMOS 'N' ANDY marks will be implicated in the plaintiff's proposed show.

3 The Lanham Act designates these as "service marks." 15 U.S.C. § 1127 (1982). However, since the Act accords the same protection to both service marks and trademarks, we will use the more familiar term "trademarks," or simply "marks."

ance and costumes of entertainment characters. *See Silverman I, supra*, 632 F.Supp. at 1355-56.

Both registered and unregistered marks are protected under the Lanham Act. *See Warner Bros., Inc. v. Gay Toys, Inc.*, 658 F.2d 76, 78 (2d Cir.1981). An unregistered mark is protectable for as long as it continues to be used. Nonuse may result in a finding of abandonment, and a loss of the owner's exclusive rights in the mark. *See* 1 J. McCarthy, *Trademarks and Unfair Competition* § 17:3 (2d ed. 1984).

The Lanham Act provides that "[a] mark shall be deemed to be 'abandoned'—(a) When its use has been discontinued with intent not to resume. Intent not to resume may be inferred from circumstances. Nonuse for two consecutive years shall be prima facie abandonment." 15 U.S.C. § 1127 (1982). Two elements are required for abandonment: (1) nonuse, *and* (2) intent not to resume use. *Saratoga Vichy Spring Co. v. Lehman*, 625 F.2d 1037, 1043 (2d Cir.198). By allowing nonuse for two years to constitute prima facie abandonment, the statute effectively grants a presumption of "intent not to resume use" once the statutory period of nonuse is shown to have elapsed. This presumption is rebuttable, *id.* at 1044, and may be overcome by evidence demonstrating that circumstances do not justify an inference of intent not to resume use. *Sterling Brewers, Inc. v. Schenley Industries, Inc.*, 441 F.2d 675, 679 (C.C.P.A.1971). It must be remembered, however, that a presumption merely imposes on the party against whom it is directed the burden of going forward with evidence to meet or rebut the presumption; it does not shift the ultimate burden of proof in the sense of the risk of nonpersuasion, which remains on the party on whom it was originally cast. *See* Fed.R.Evid. 301.

The facts of this case are reasonably clear, albeit unique. It is the application of existing law to these facts that is troublesome. One of the most unusual aspects of this case is that we are dealing with marks associated with radio and television shows, which are also protected by copyrights. Other abandonment cases reviewed by this Court involve trademarks used in connection with some tangible, consumer product, *e.g.*, beer, bottled water, buttons, and magazines, not similarly subject to copyright protection. No court, to our knowledge, has considered

abandonment of entertainment marks that are simultaneously protected by copyright.[4] We have already ruled that CBS holds valid copyrights protecting the AMOS 'N' ANDY characters. *See Silverman I*, *supra*, 632 F.Supp. at 1355. Thus, regardless of whether or not the AMOS 'N' ANDY marks have been abandoned, unauthorized use of the characters could leave the door open for a copyright infringement suit. The plaintiff, however, has pursued this litigation through trial on the issue of abandonment, and seeks a declaration regarding his right to use any marks associated with AMOS 'N' ANDY, not just the characters. Having come this far, he is entitled to a complete ruling.

CBS has made only limited use of the AMOS 'N' ANDY marks over the last two decades. Although this does not automatically result in loss of all trademark rights, such limited use cannot avoid prima facie abandonment pursuant to 15 U.S.C. § 1127. *See Exxon Corp. v. Humble Exploration Co.*, 695 F.2d 96, 102 (5th Cir. 1983). To retain its rights, CBS must meet the presumption thus created with evidence demonstrating that circumstances do not justify an inference of intent not to resume use. *Sterling Brewers, Inc. v. Schenley Industries, Inc.*, *supra*, 441 F.2d at 679. CBS has come forward with evidence showing licensing of AMOS 'N' ANDY shows for educational and historical purposes, registering and renewing copyrights in over 100 television and radio shows, challenging infringing uses whenever these became known to CBS, and periodically reconsidering revival of the television series. This evidence, coupled with CBS's strenuous assertion of its intent not to abandon these marks, suffices to meet the presumption and shift the burden of persuasion back to the plaintiff to prove abandonment.

The plaintiff argues that CBS is really warehousing the AMOS 'N' ANDY marks, keeping them off the market and yet asserting the right to prevent others from using them. He contends that only "commercial use," or intent to resume commercial use, will allow CBS to retain its rights in the marks. *See Exxon*

4 If copyrights in an entertainment work have expired, a question arises of whether marks associated with that work can continue indefinitely, provided they continue to be used and to retain their significance as a designation of origin and goodwill. However, this is not a question we must now decide.

Corp. v. Humble Exploration Co., *supra*, 695 F.2d at 102, *on remand*, 592 F.Supp. 1226, 1229 (N.D.Tex.1984). In *Exxon* the Fifth Circuit considered whether a trademark owner could retain rights in a mark that was being used only in connection with limited product distribution, as part of a trademark maintenance program. The plaintiffs claimed they did not intend to abandon their rights in the mark, but the Fifth Circuit ruled that the plaintiffs' use of the mark was insufficient to avoid a finding of prima facie abandonment. 695 F.2d at 102. The court stressed that the Lanham Act "does not allow the preservation of a mark solely to prevent its use by others," and that intent not to abandon is different from intent to resume use. *Id.* at 101-02. To maintain a mark in the absence of use, the Fifth Circuit required that the owner have plans to resume commercial use of the mark. *Id.* at 102. On remand, the district court applied the "intent to resume commercial use" standard, but found adequate evidence of such an intent, and ruled that the plaintiffs had not abandoned their rights in the mark. 592 F.Supp. at 1230-31.

In response, CBS notes that "commercial use" is not explicitly required to obtain or sustain a trademark, although use "in commerce" is required for registration of a trademark.[5] *See* 15 U.S.C. § 1051. The *Exxon* case clearly requires intent to resume commercial use of a mark to combat a claim of abandonment. However, *Exxon* is a Fifth Circuit decision, and we must first be guided by Second Circuit precedents on the question of abandonment.

No Second Circuit case has addressed whether prima facie abandonment may only be overcome by proving intent to resume commercial use. We note, however, that the Second Circuit has gone to great lengths to avoid finding a mark abandoned. Hence, we seriously doubt whether the Fifth Circuit's more stringent "commercial use" requirement would be adopted by this Court.

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5 CBS also notes that the amount of use necessary to avoid a finding of abandonment is less than that needed to establish a trademark in the first place. *See Waldes v. International Manufacturers Agency, Inc.*, 237 F. 502 (S.D.N.Y.1916) (L. Hand, J.).

To find a mark abandoned, the Second Circuit requires a showing not only of acts indicating a practical abandonment, but also of " 'actual intent to abandon. Acts which unexplained would be sufficient to establish an abandonment may be answered by showing that there never was an intention to give up and relinquish the right claimed.' " *Wallace & Co. v. Repetti, Inc.* 266 F. 307 (2d Cir.), *cert. denied*, 254 U.S. 639, 41 S.Ct. 13, 65 L.Ed. 451 (1920) (quoting *Saxlehner v. Eisner & Mendelson Co.*, 179 U.S. 19, 31, 21 S.Ct. 7, 11-12, 45 L.Ed. 60 (1900)); *see Saratoga Vichy Spring Co. v. Lehman*, *supra*, 625 F.2d at 1044. This approach is consistent with the statutory language regarding abandonment, which is couched in terms of "intent *not* to resume" rather than "intent *to* resume" use. It is also consistent with the well-established principle that abandonment, being in the nature of a forfeiture, must be strictly proved. *See Citibank, N.A. v. Citibanc Group, Inc.*, 724 F.2d 1540, 1545 (11th Cir. 1984); *Saratoga Vichy Spring Co. v. Lehman*, *supra*, 625 F.2d at 1044; *American Foods, Inc. v. Golden Flake, Inc.*, 312 F.2d 619, 624-25 (5th Cir.1963); *Neva-Wet Corp. v. Never Wet Processing Corp.*, 277 N.Y. 163, 13 N.E.2d 755 (1938).

Two cases are particularly instructive in understanding the Second Circuit's reluctance to declare trademarks abandoned. In *Defiance Button Machine Co. v. C & C Metal Products Corp.*, 759 F.2d 1053 (2d Cir.), *cert. denied*, 474 U.S. 844, 106 S.Ct. 131, 88 L.Ed.2d 108 (1985), the plaintiff, a well established manufacturer and seller of metal buttons and the equipment with which to make such buttons, ceased operations and sold all of its tangible assets, including the means to manufacture the buttons, to defendant C & C Metal Products. The plaintiff hoped, thereafter, to sell its DEFIANCE trademark, and the goodwill purportedly attached thereto, but never received a financially acceptable offer. The plaintiff eventually became a subsidiary of a competing button manufacturer, and sought to resume use of its DEFIANCE mark. The defendants, by then, were using the name DEFIANCE to identify buttons they manufactured using the dies and machinery acquired from the plaintiff. The plaintiff brought suit to enjoin defendants from using this mark. When the case reached the Second Circuit, the plain-

tiff had still not resumed production of buttons. The Circuit court noted that the owner's conduct in attempting to sell the mark and the goodwill associated therewith, and later deciding to resume business, was inconsistent with an intent to abandon its trademark. *Id.* at 1061. Accordingly, the court refused to find the mark abandoned, even though any goodwill associated with the mark had in fact been lost when C & C Metal acquired a copy of the plaintiff's customer list along with the plaintiff's machinery.

In *Saratoga Vichy Spring Co. v. Lehman*, *supra*, the State of New York was forced to discontinue use of the mark SARATOGA GEYSER when the state legislature eliminated appropriations for the operation of a mineral water bottling plant in the Saratoga Springs area. The state thereafter sought to lease the bottling operation. However, litigation with a former distributor prevented this, and the state had to close the plant. Two years after the litigation ended, the state reached a license agreement with a company other than the plaintiff to use the SARATOGA GEYSER mark. The plaintiff brought suit claiming infringement of its SARATOGA VICHY mark. On the issue of whether the SARATOGA GEYSER mark had been abandoned, the Second Circuit stated that "New York's nonuse was caused by the decision of the legislature to have the State withdraw from the mineral water business, and the State thereafter sought continuously to sell the business with its good will and trademark. These facts are completely inconsistent with an intent to abandon the mark." 625 F.2d at 1044.

The circumstances of the instant case are different from either *Definance Button* or *Saratoga Vichy*, in that CBS is not attempting to sell its AMOS 'N' ANDY marks. However, CBS has made it abundantly clear that it does not intend to abandon these marks. It has continued to license limited uses of the Property, to periodically reconsider resuming use, and to challenge infringing uses that have been brought to its attention.[6]

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6 The plaintiff argues that CBS has not forcefully policed its AMOS 'N' ANDY marks. We cannot help but note the inconsistency between this and the plaintiff's prior argument, that declaratory relief should be granted because of the likelihood CBS will sue for infringement if Mr. Silverman pro-

Also, during the past ten years, CBS has registered for, or renewed, copyrights in over 100 of the AMOS 'N' ANDY radio and television shows. These actions are entirely inconsistent with an intent to abandon or relinquish rights in the AMOS 'N' ANDY marks.

An additional factor must be considered in this case. CBS argues that nonuse due to circumstances beyond its control is excusable, and should not result in loss of trademark rights. *See* 1 J. McCarthy, *Trademark and Unfair Competition* § 17:4 (2d ed. 1984). CBS withdrew AMOS 'N' ANDY from syndication in 1964, because of pressure from civil rights groups. During the intervening years, CBS has considered whether the time was right to bring back this series. But, despite the popularity of reruns of other old series such as "The Honeymooners," and recent situation comedies such as "The Jeffersons," and "The Bill Cosby Show," which feature black families, CBS obviously believes that civil rights groups would still find the portrayal of blacks in AMOS 'N' ANDY to be offensive. Although the plaintiff, and even this Court, may disagree with CBS's assessment of the type of reception AMOS 'N' ANDY would receive today, we cannot substitute our subjective perceptions for an objective evaluation of the reasonableness of CBS's actions. *See Poncy v. Johnson & Johnson*, 460 F.Supp. 795, 802 (D.N.J.1978).

Recalling the pervasive racial tension that swept this country in the 1960's, and which remains a continuing problem in many

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duced his show without its consent. This aside, the plaintiff's argument is still unavailing. Failure to police a mark can be evidence of, but does not automatically constitute, abandonment. *See* 1 J. McCarthy *Trademarks and Unfair Competition* § 17:5 (2d ed. 1984). Since CBS has reaped scant financial rewards from the Property since it suspended syndication of the television series in 1964, we find its policing activities have been reasonable, and adequate to belie any intent to abandon its marks.

Failure to police a mark can also cause it to lose its significance as an indication of origin, and, thus, be deemed abandoned. 15 U.S.C. § 1127(b) (1982). Here, however, the plaintiff himself has stressed the strong public recognition of AMOS 'N' ANDY as a factor in his desire to create a Broadway musical based on the old radio and television programs. Numerous other requests for licenses to use the Property further attest to the continued public recognition of AMOS 'N' ANDY.

areas of the country and in many aspects of daily life, we cannot say that CBS's reluctance to revive AMOS 'N' ANDY is unreasonable, given the fact that civil rights groups seem to find the depiction of blacks in AMOS 'N' ANDY to be demeaning. It would be offensive to basic precepts of fairness and justice to penalize CBS, by stripping it of its trademark rights, merely because it succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interests of the community.

Conclusion

In light of the evidence presented in this case, including (1) CBS's assertion of its intent to resume use of AMOS 'N' ANDY, and the marks associated therewith, if and when the social climate becomes more favorable, (2) its reasonable explanation for nonuse, and (3) its continuing efforts to police and protect its rights in this Property, we find that CBS has not abandoned its rights in the marks associated with AMOS 'N' ANDY. This ruling, together with *Silverman I*, constitutes our entire decision regarding the plaintiff's right to freely use the AMOS 'N' ANDY Property. In a nutshell, he may not. CBS may submit its request for damages on the copyright infringement found pursuant to our decision in *Silverman I*.[7] We will then rule on that request,

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7 The infringement found in *Silverman I* was for unauthorized use of dialogue from several copyrighted radio programs. 632 F.Supp. at 1352. We declined to rule on CBS's other copyright infringement claims, which we found to be premature. *Id.* at 1355. The alleged infringement of CBS's copyrights in the television series is based primarily upon copying of the characters as they appeared on television, and other aspects of the visual presentation of AMOS 'N' ANDY. It is impossible to determine the element of substantial similarity necessary to rule on a claim of copyright infringement, without seeing a fully staged production of the plaintiff's proposed Broadway show. *Id.* A ruling on trademark infringement would be similarly premature, since it too involves consideration of the similarity between the AMOS 'N' ANDY characters as they originally appeared and developed as marks and as they may be cast and costumed in a production of the plaintiff's proposed play. *See id.* at 1357 n. 17.

and on the defendant's motion for attorneys' fees and other sanctions.[8]

SO ORDERED.

8 The defendant's motion for sanctions is directed against plaintiff and three counsel that have represented plaintiff in this action. One predecessor counsel not only opposes imposition of sanctions, but also cross moves for a protective order pursuant to Fed.R.Civ.P. 26(c), claiming attorney-client privilege and attorney's work product privilege.

Relevant Statutory Provisions

15 U.S.C. § 1059. Renewal of registration

(a) Each registration may be renewed for periods of twenty years from the end of the expiring period upon payment of the prescribed fee and the filing of a verified application therefor, setting forth those goods or services recited in the registration on or in connection with which the mark is still in use in commerce and having attached thereto a specimen or facsimile showing current use of the mark, or showing that any nonuse is due to special circumstances which excuse such nonuse and it is not due to any intention to abandon the mark. Such application may be made at any time within six months before the expiration of the period for which the registration was issued or renewed, or it may be made within three months after such expiration on payment of the additional fee herein prescribed.

(b) If the Commissioner refuses to renew the registration, he shall notify the registrant of his refusal and the reasons therefor.

(c) An applicant for renewal not domiciled in the United States shall be subject to and comply with the provisions of section 1051(d) of this title.

15 U.S.C. § 1127. Construction and definitions; intent of chapter (in part)

In the construction of this chapter, unless the contrary is plainly apparent from the context—

* * *

A mark shall be deemed to be "abandoned"—

(a) When its use has been discontinued with intent not to resume. Intent not to resume may be inferred from circumstances. Nonuse for two consecutive years shall be prima facie abandonment.

* * *

List of Subsidiaries of Petitioner, CBS Inc.

Subsidiaries of CBS Inc.*
(as of 03/13/89)

Aspenfair Music, Inc.
Bala Cynwyd Associates [General Partnership]
Beverlyfax Music, Inc.
CBS Broadcast International of Canada Limited
CBS Broadcast Services Ltd.
  CBS Pension Trustees U.K. Limited
CBS FMX Stereo Inc.
CBS/FOX Company, The [General Partnership]
  CBS/FOX VIDEO (Holdings) Ltd.
    CBS/FOX VIDEO Limited
  CBS/FOX VIDEO (Germany) G.m.b.H.
  CBS/FOX VIDEO (South Pacific) Pty Ltd.
  CBS/FOX VIDEO (Canada) Ltd.
  CBS/FOX VIDEO (Espanola) S.A.
  CBS/FOX VIDEO French Film Licensing Corp.
    CBS/FOX VIDEO (France) S.A.
  CBS/FOX VIDEO International S.A.R.L.
  CBS/FOX VIDEO (New Zealand) Limited
  CBS/FOX VIDEO (Far East) K.K.
CBS Gramophone Records & Tapes (India) Ltd.**
CBS/MTM Company [General Partnership]
CBS Urban Renewal Corporation
CJG Productions Inc.
Columbia Television, Inc.
Galatea Productions, Inc.
Katy Film Productions, Inc.
Meadowlands Parkway Associates [General Partnership]

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* Inactive subsidiaries are not included in this listing.

** Subject to agreement of sale dated November 19, 1987 with Sony Corporation; awaiting deferred closing.

The Article From The New York Times, November 17, 1988 Is Being Filed as a Contemporaneous Lodging With This Petition

Supreme Court, U.S.
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(3)

No. 88-1804

In The

Supreme Court of the United States

October Term, 1988

CBS INC.,

Petitioner,

v.

STEPHEN M. SILVERMAN,

Respondent.

OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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QUESTIONS PRESENTED FOR REVIEW

1. Is the Second Circuit's conclusion that the express language of the Lanham Act, which provides that a trademark shall be deemed "abandoned" when its use has been discontinued with "intent not to resume," means that the mark shall be deemed abandoned when its use is not resumed within the reasonably foreseeable future, a correct reading of the Act?

2. Can a Petitioner, which in its counterclaim sought damages for trademark infringement under Federal statute, properly raise for the first time in its Petition, the issue of the applicability of State law to the instant proceeding?

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COUNTER-STATEMENT OF THE CASE

All of the radio scripts of the extremely popular Amos'n'Andy radio program series written between 1928 and 1948 are now in the public domain. In 1948, Petitioner CBS purchased the rights to Amos'n'Andy from its creators and continued the radio program until 1955. In 1951, CBS put Amos'n'Andy on television and after three years the program went into syndication. The reruns continued to be commercially distributed until 1964. In 1964, CBS voluntarily withdrew the television series from distribution and from that date forward has rejected any request for commercial exploitation of either the radio programs or the TV series. CBS has no present plans to commercially exploit the Amos'n'Andy programs at any time in the reasonably near future.

The Second Circuit, having been asked to review whether under the facts and circumstances of this case, CBS had abandoned its Amos'n'Andy trademark, concluded that since CBS had not used the mark for more than 21 years and had no present intent to resume use of said mark, CBS had abandoned its trademark. In reaching its conclusion, the Court of Appeals considered the language of Section 45 of the Lanham Act (15 U.S.C. §1127), which provides that a mark is abandoned "when its use has been discontinued with an intent not to resume." Recognizing that it would be virtually impossible to establish, from any objective circumstantial evidence, that the owner of a mark never intended to resume use of its mark, the Court of Appeals concluded that the phrase "intent not to resume" refers to an intent "not to resume use within a reasonably foreseeable future." The Court thus concluded that under the facts and circumstances of

this case, where Petitioner CBS had not used the mark for 21 years and had no present intention of using the mark within any reasonably foreseeable future time, CBS had under §45 of the Lanham Act in fact abandoned any trademarks it had in Amos'n'Andy.

The Second Circuit Court of Appeals' ruling is consistent with the decisions of the other Federal Circuit Courts which have considered this issue. Moreover, this Petition does not present any substantial Federal question for this Court's consideration.

FACTUAL STATEMENT OF THE CASE

From March 1928 through March of 1948 and thereafter, two entertainers, Freeman F. Gosden and Charles J. Correll, created and broadcast a radio program entitled "Amos'n'Andy." On August 19, 1948, Gosden and Correll assigned all of their rights in the Amos'n'Andy scripts and radio programs they had created, along with the goodwill that attached to their creations, to the Defendant-Petitioner, CBS. Under the assignment agreement, Gosden and Correll continued to create new Amos'n'Andy scripts for CBS, and CBS continued to broadcast the "Amos'n'Andy Show" on radio until 1955. From about 1951 until about 1953, an "Amos'n'Andy" show also appeared on the CBS television network as a regular series, and was broadcast thereafter intermittently as reruns and in non-network television syndication until 1964. In 1964, Amos'n'Andy were taken off the air, and to date Amos'n'Andy have been locked in the

archives of CBS, hidden away from the ears and eyes of the general public. (A.28.)

From February 1928 through March 1948, Messrs. Gosden and Correll registered copyrights in their own names for their radio scripts of "Amos'n'Andy." None of the copyrights in those scripts was renewed, and those copyrights therefore have expired. Accordingly, all of said radio scripts are presently in the public domain. (A.32-33.) For its part, CBS never registered or sought to register a trademark for the name "Amos'n'Andy" or for any of the Amos'n'Andy characters.

In 1981, the Plaintiff-Respondent Stephen Silverman began writing a script for a Broadway musical based on the Amos'n'Andy characters. In order to avoid potential litigation, he sought a license from CBS to use the Amos'n'Andy characters. The Defendant-Petitioner CBS refused Plaintiff-Respondent's request. (A.28.)

In 1984, Silverman filed an action in the Southern District of New York seeking a declaratory judgment (1) that the Amos'n'Andy radio programs broadcast from March 1928 through March 1948 were in the public domain and therefore he was free to use all or any part of these programs in connection with his project, and (2) that CBS had no rights in these programs either by way of common law copyright or trademark. Silverman also contended that CBS had abandoned any trademark rights it might have had in Amos'n'Andy since it had not used the Amos'n'Andy name for more than 20 years and had failed to prevent the use of the name and characters by others. (A.28.)

The Defendant-Petitioner CBS initially moved to dismiss Plaintiff-Respondent Silverman's Complaint for lack of a judicial controversy; however, when its Motion was denied, CBS asserted five Counterclaims, for (1) copyright infringement, (2) trademark infringement under Section 43(a) of the Lanham Act (15 U.S.C. §1125(a)(1982)), (3) common-law trademark and infringement, and unfair competition, (4) misappropriation of CBS' goodwill associated with the Amos'n'Andy trademarks, and (5) improper registration of one of Plaintiff-Respondent's scripts as an original work. (A.29-30.)

On April 15, 1986, the District Court granted Petitioner partial summary judgment and dismissed several of Petitioner's Counterclaims. (A.27 et seq.) In its opinion, the Court found that the scripts of the Amos'n'Andy radio shows broadcast from March 1928 through March 1948 were in the public domain. The Court also found that the Respondent had infringed on CBS' copyrights in the post-1948 Amos'n'Andy radio programs and the TV programs produced between 1951 and 1953. Respondent had contended that Petitioner CBS' copyrights in the TV shows were not valid, because (a) these shows, which were for the most part aired through stations not affiliated with CBS, were "bicycled" from one station to another and were not directly returned to CBS, which failed to exercise dominion and control over the shows, and (b) these early broadcasts of the works, made without appropriate copyright notice, constituted a "publication" without notice, thereby placing the works in the public domain. The District Court rejected Respondent's position, concluding that these acts did not constitute a

"publication." It therefore granted CBS summary judgment on the issue of copyright infringement. (The Second Circuit agreed with the Respondent's position, however, and remanded this issue to the District Court for further proceedings.)

Notwithstanding its finding, the District Court dismissed Petitioner's Counterclaims for copyright infringement based on the TV scripts, Petitioner's counterclaim for misappropriation of goodwill and dissolution of the mark, and Petitioner's claim for unfair competition. Further, without taking any evidence on the issue of the validity of CBS' claim to a trademark in the name and character of Amos'n'Andy, and without taking any evidence as to the public's acceptance and identification of Amos'n'Andy with CBS, the District Court assumed the validity of CBS' claimed trademark and directed a trial solely on the issue of whether or not CBS had abandoned said mark. (A.49-50.)

On the 23rd and 24th of April 1987, a bench trial was held in District Court on this single issue of whether or not under §45 of the Lanham Act Petitioner CBS had in fact abandoned its rights to a mark associated with Amos'n'Andy. On August 3, 1987, the Court rendered its opinion on this matter. (A.51 et seq.) The Court expressly found that the defendant "CBS has not exploited the Amos'n'Andy radio and television series and the trademarks associated therewith . . . for over twenty years" and that "CBS has not aggressively policed its copyrights or trademark rights." (A.54.) The Court also found that "CBS has no present plan to resume use of the Property at a specific time in the future, but wishes to keep this option open." (A.53.)

Notwithstanding these findings of fact, however, the District Court concluded that Petitioner CBS had not abandoned its mark. The District Court noted that the Amos'n'Andy TV series was withdrawn from syndication in 1964 because of civil rights protests by the NAACP, and although the District Court did not share CBS' view as to the "type of reception Amos'n'Andy would receive today," it concluded that this potential business problem justified CBS' total lack of use of the Amos'n'Andy mark. Thus, the District Court, apparently believing that the Amos'n'Andy mark developed by Gosden and Correll during the years of the radio program which was now in the public domain, and CBS' TV series based upon the Amos'n'Andy characters initially created by Gosden and Correll, were one and the same, accepted CBS' business decision not to permit the name or characters associated with Amos'n'Andy to appear before the public. Amos'n'Andy, already captive in the archives of CBS, and hidden from public view for more than 21 years, appeared destined, by the District Court's decision, to languish forever hidden from public view.

The Respondent appealed to the United States Court of Appeals for the Second Circuit. On February 6, 1989, the Court of Appeals affirmed part of the Order of the District Court and vacated that portion of the Order which dealt with the issue of the abandonment by the Petitioner CBS of its trademark in Amos'n'Andy. In its opinion, the Court of Appeals noted first that it was undisputed that CBS had not used the mark for more than 20 years, and that CBS had no present plans to resume the use of the mark within the reasonable near future. Concluding that CBS had not been endeavoring to

exploit its mark because of a lack of business opportunity, the Court noted that CBS had decided to "forego whatever business opportunities may currently exist in the hope that greater opportunities, unaccompanied by adverse public reaction, will exist at some undefined time in the future." (A.16.)

The Second Circuit then turned its attention to construction of §45 of the Lanham Act in conjunction with CBS' aforesaid long-term and continuing non-use of the mark and its lack of any current plan to use the mark within the foreseeable future. Noting that the Lanham Act expressly provided that a mark would be "abandoned" when its use had been "discontinued with intent not to resume," the Court focused on whether this phrase means "intent *never* to resume use, or does it merely mean intent not to resume use within the reasonably foreseeable future." (A.13.) Recognizing that if the relevant intent to be considered was an "intent never to resume use," it would be virtually impossible to establish such intent from circumstantial evidence, the Court of Appeals concluded that discontinued use with "intent not to resume within the reasonably foreseeable future" was the standard of conduct contemplated by Congress when it enacted the Lanham Act. (A.13.) The Second Circuit therefore concluded, from the undisputed facts of the case, that under the language of the Lanham Act, CBS had clearly abandoned its trademark. The Court of Appeals therefore vacated and set aside the decision of the District Court.

REASONS FOR DENYING THE WRIT

I. THE DECISION BELOW IS CONSISTENT WITH ALL PRIOR DECISIONS IN THIS AREA.

A. The Prior Rulings Of This Court Cited By Petitioner Are Not Applicable To The Standard For Abandonment Of A Trademark Prescribed By The Lanham Act.

Petitioner's reliance on this Court's decisions in *Saxlehner v. Eisner & Mendelsohn Co.*, 179 U.S. 19, 21 S.Ct. 7, 45 L.Ed. 60 (1970), and *Baglin v. Cusenier Co.*, 221 U.S. 580, 31 S.Ct. 669, 55 L.Ed. 863 (1911), which speak of an "intent to abandon" standard, is clearly misplaced. First, both of these cases were decided before the Lanham Act was enacted, and they therefore were not directed toward construing the intent of Congress as manifested in the provisions of the Lanham Act. Second, the standard for abandonment as expressed by the legislative enactment which is relevant herein is not, as the Petitioner suggests, phrased in terms of "intent to abandon." Rather, the Lanham Act expressly provides that a mark shall be deemed "abandoned" when its use has been discontinued with "intent not to resume." (15 U.S.C. §1127 (1982).) (A.12.)

The Second Circuit was well aware of this Court's early Opinion in *Saxlehner v. Eisner & Mendelsohn Co., supra,* when it decided the instant case of *Silverman v. CBS*. In fact, the Court of Appeals made specific reference in its Opinion to the fact that this Court had previously required proof of "intent to abandon," noting that this Court's Opinion had predated the Lanham Act. (Note 4, A.15.) The Second Circuit further commented that at the

time of the *Saxlehner* case, this Court was not concerned with construing the phrase "intent not to resume" contained in the Lanham Act, and therefore did not have to consider whether that phrase meant an "intent never to resume use" or an "intent not to resume use within the reasonable future." (A.15.) Respondent submits that the Second Circuit's view that the decisions of this Court predating enactment of the Lanham Act are not relevant to the case at bar.

Moreover, there is no support in the Lanham Act's history for Petitioner's argument that cases prescribing an "intent to abandon" standard should bear on the determination of whether CBS abandoned the Amos'n'Andy mark. As noted in the Second Circuit's Opinion, in enacting the Lanham Act Congress deliberately rejected the use of the phrase "intent to abandon," which was contained in an earlier version of the Act, *H. R. Rep.* 4744, 76th Cong., 1st. Sess. (1939); *H. R. Rep.* 6618, 76th Cong., 1st. Sess. (1939), in favor of the phrase "intent not to resume." In so doing, Congress clearly rejected the argument now advanced by Petitioner, and rendered inapplicable this Court's prior trademark rulings which precede the enactment of the Lanham Act.

B. There Is No Conflict Among The Circuits As To The Standard For Defining Trademark Abandonment In The Lanham Act.

The Petitioner's statements notwithstanding, there is no conflict among the Federal Circuits with respect to the meaning to be given to the provisions of §45 of the

Lanham Act. The Second Circuit's decision in this case is consistent with the decisions of the Fifth Circuit in *Exxon Corporation v. Humble Exploration Co., Inc.*, 695 F.2d 96 (5th Cir. 1983), *reh. denied*, 701 F.2d 173 (5th Cir. 1983); the Seventh Circuit in *American Photographic Publishing. Co. v. Ziff-Davis Publishing. Co.*, 135 F.2d 569 (7th Cir. 1943); the Eighth Circuit in *Hiland Potato Chip Co. v. Culbro Snack Foods, Inc.* 720 F.2d 981 (8th Cir. 1983); and the Eleventh Circuit in *AmBrit, Inc. v. Kraft, Inc.*, 805 F.2d 974 (11th Cir. 1986) and *E. Remy Martin & Co., S.A. v. Shaw-Ross International Imports, Inc.*, 756 F.2d 1525 (11th Cir. 1985), *reh. denied*, 765 F.2d 154 (11th Cir. 1985). No Circuit Court has taken a view contrary to that of the Second Circuit in this case.

The Petitioner's further contention that the Second Circuit's Opinion in this case is in direct conflict with that Court's own prior Opinion in *Saratoga Vichy Spring Co., Inc. v. Lehman*, 625 F.2d 1037 (2d Cir. 1980), is likewise unfounded. The Second Circuit's Opinion in *Saratoga* was written by Judge Newman, the author of the Second Circuit's Opinion in the instant case. Judge Newman has expressly stated that in his view, the Second Circuit's Opinion in *Saratoga*, as well as its prior Opinion in *Defiance Button Machine Co. v. C&C Metal Products Corp.*, 759 F.2d 1053 (2d Cir.), *cert. denied*, 474 U.S. 844 (1985), are consistent with and supportive precedent for its opinion in this case. (See A.15.)

C. The Second Circuit's Decision Is Not New Law And Is Not Inconsistent With The Lanham Act.

Petitioner recognizes that in Section 45, the Lanham Act provides that a mark shall be deemed to be abandoned, "when its use has been discontinued with the

intent not to resume." (15 U.S.C. §1127(a).) Petitioner suggests, however, that Section 1059 of Title 15, U.S. Code, which permits an owner of a mark to renew its registration if "non-use is due to special circumstances which excuse such non-use and is not due to an intentional abandonment of the mark," creates conflicts with the Second Circuit's decision in this case. Petitioner argues that the presence of the term "intentional abandonment of the mark" in Section 9 of the Lanham Act (15 U.S.C. §1059) is inconsistent with the Circuit Court's interpretation of the phrase the "intent not to resume," which is contained in Section 45 of the Act. (15 U.S.C. § 1127). There is no inconsistency between those sections, nor does the statute, as Petitioner would have this Court believe, create two different tests on the issue of "abandonment," one harsher (§1127), and one more lenient (§1059). What Petitioner fails to focus on is that as used throughout the Lanham Act, the phrase "abandonment of the mark," is a defined term, whose definition is set forth in Section 45 (15 U.S.C. §1127), which states that a mark shall be deemed "abandoned" when its use has been discontinued with an "intent not to resume." Thus, if Section 1059 is read, with substitution of the definition provided in the Act for the defined term "abandonment of the mark," it is apparent that there is no inconsistency. With such substitution, the Section then would read:

> "any non-use is due to special circumstances which excuse such non-use and is not due to any intention to [discontinue use of the mark with intent not to resume.]"

Thus, the Second Circuit's Opinion, holding that an "intent to resume" requires an "intent to resume within

the reasonably foreseeable future," is certainly consistent with the express language of the Lanham Act.

D. CBS's Non-use Was Not A Result Of Any Outside Conditions.

In its Opinion, the Second Circuit expressly stated as fact that Respondent CBS had made a conscious choice not to exploit the value of its mark because of its perception of a lack of relevant business opportunities. The Second Circuit also stated as fact that Respondent CBS had no plans to resume the use of the mark in the foreseeable future. (A.16.) It was the Circuit Court's view that CBS was willing to forego whatever business opportunities might currently exist in the hope that greater opportunities would exist at some undefined time in the future. (A.16-17.) Both the Court of Appeals and the District Court, then, concluded that CBS' failure to exploit its mark was the result of its own voluntary choice and actions.

It is undisputed that CBS voluntarily withdrew the Amos'n'Andy mark from commercial use; that CBS has not used the mark for more than 20 years; and that CBS has no intention to use the Amos'n'Andy mark within the reasonably foreseeable future. Thus, Petitioner in pursuit of its own business purposes abandoned the Amos'n'Andy mark. Its act of abandonment was quite voluntary and the result of a conscious business decision; although CBS' abandonment may possibly have been influenced by outside factors, its decision to abandon the mark was not the result of a lack of choice dictated by any outside factors. CBS' claim of social pressure is

merely its attempt to pass off a hardheaded business decision as some form of social or community service. However, as the Second Circuit noted, there is nothing in the Lanham Act "that makes the consequences of intent not to resume use turn on the worthiness of the motive for holding such intent." (A.17.) Furthermore, even accepting the Petitioners' interpretation of the cases which CBS cites in its Petition, said cases are not applicable to the facts presented by the instant case.

II. THIS PETITIONER CANNOT RAISE HERE FOR THE FIRST TIME THE QUESTION OF WHETHER THE DECISIONS BELOW ERRONEOUSLY APPLIED FEDERAL LAW TO QUESTIONS GOVERNED BY STATE LAW.

The Petitioner claims, for the first time, that the matter of its trademark rights should have been determined under State trademark law, not Federal trademark law. This issue was not raised in the motions and proceedings before the District Court nor was it raised in the briefs presented to the Second Circuit. Said issue is therefore not open to be raised for the first time in this petition for certiorari. *Ellis v. Dixon,* 349 U.S. 458, 75 S.Ct. 850, 99 L.Ed. 1231, *reh. denied,* 350 U.S. 855, 76 S.Ct. 37, 100 L.Ed. 759 (1955). Moreover, Petitioner in its counterclaims filed in the District Court sought to recover damages to trademark infringement under Section 43(a) of the Lanham Act (15 U.S.C. §1125(a)). (A.29.) Thus, Petitioner deliberately sought the protection of Federal law. Its present claim that State trademark law, not Federal trademark law,

should have been applied in the instant case is therefore totally without merit.

CONCLUSION

The Second Circuit's interpretation of the Lanham Act and its application of the Act to the facts of this case was consistent with the Act and with applicable prior decisions in this area. The Second Circuit's decision does not create a conflict with any other Circuit as to the standard for defining trademark abandonment under the Lanham Act. Petitioner's argument, raised here for the first time, that the issue of trademark abandonment should have been governed by State law, is not open for consideration by this Court, and is without merit.

The Petition, in short, should never have been brought before this Court. Respondent prays that this Court deny the Petition and decline to issue a writ of certiorari in this case.

Respectfully submitted,

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No. 88-1804

IN THE

Supreme Court of the United States

OCTOBER TERM, 1988

CBS INC.,

Petitioner,

—v.—

STEPHEN M. SILVERMAN,

Respondent.

REPLY BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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PRELIMINARY STATEMENT

Silverman's only response to the conflict between this Court's precedents and the decision below is the incorrect claim that the Lanham Act overruled the standards for trademark abandonment laid down by this Court *sub silentio*. Silverman's only response to the conflict between the decisions below and decisions of the Second, Third, Fourth and Eleventh Circuits and the Court of Customs and Patent Appeals is to ignore those conflicting decisions. The real basis of Silverman's position is that he cannot meet the federal "intent to abandon" standard here, as the District Court found. To resolve the indisputable conflicts between the decision below and controlling precedent, review is necessary.

Silverman's claim that state law issues were not raised below is nonsense. His own complaint, upon which the decision appealed was rendered, expressly sought relief under state law and common law, as did CBS's counterclaims. Moreover, the conflict that should be reviewed was created by the decision below and could not have been raised before it was rendered.

Finally, Silverman tries, by misquoting the Second Circuit's decision, to defuse the moral issue posed by the decision below. His attempt is in vain, because that issue is clear on the face of the Second Circuit's decision and cannot be evaded. The Second Circuit held, in effect, that suspension of commercial use of racially sensitive trademarks in deference to opinions in the black community and opinions of other concerned citizens constituted intent to abandon. The Second Circuit penalized that suspension by voiding CBS's trademarks, despite a well-settled principle that abandonment requires a wholly voluntary intent to abandon, not a decision actuated by external factors. Unless this decision is reversed, a judicial message hostile to the responsible use of broadcast media will become settled law.

For the reasons stated in the Petition, review should be granted.

ARGUMENT

I.

THE DECISION BELOW IS INCONSISTENT WITH PRIOR DECISIONS AND WITH THE LANGUAGE OF THE FEDERAL TRADEMARK ACT OF 1946

A. The Rulings Of This Court Concerning Abandonment Of Trademarks Were Not Overruled By The Lanham Act

CBS showed in its Petition that the Second Circuit's decision below rejected this Court's decisions in *Saxlehner v. Eisner & Mendelson Co.*, 179 U.S. 19, 21 S. Ct. 7, 45 L. Ed. 60 (1900) and *Baglin v. Cusenier Co.*, 221 U.S. 580, 31 S. Ct. 669, 55 L. Ed. 863 (1911). These cases laid down a rule requiring "intent

to abandon" in order to prove abandonment of a trademark. They have never been overruled.

Silverman has not even tried to argue that the Second Circuit's decision is consistent with this Court's rulings in those cases. Silverman only argues that those decisions were impliedly overruled by the Lanham Act in 1946. This is the same mistake that the Second Circuit made when it misinterpreted the legislative history and the statutory language of the Lanham Act. We pointed out these errors in the Petition, pp. 14-15.

Neither Silverman nor the Second Circuit point to anything in the Lanham Act legislative history showing that Congress intended to overrule the existing, well-settled rule established by the Supreme Court decisions. Without a clear expression of intent to change the law, Congress is presumed not to intend any change. *See McElroy v. United States*, 455 U.S. 642, 650 n.14, 102 S. Ct. 1332, 1337 n.14, 71 L. Ed. 2d 522 (1982) ("Because the legislative history contains no indication that the variation in language had changed the meaning of 'interstate commerce' . . . we conclude that Congress intended nothing by the change in language."); *National Treasury Employees Union v. United States Mint Systems Protection Board*, 743 F.2d 895, 916 (D.C. Cir. 1984) (" . . . it has become a 'contemporary precept that Congress legislates on the basis of policies and principles it has followed in the past, and unless Congress makes an express statement in the legislative history that it has abandoned longstanding precedent, the court will presume its retention.' "); *Bush v. Oceans Int'l*, 621 F.2d 207, 211 n.4 (5th Cir. 1980) (" . . . a change in the status quo should not be inferred unless Congress has unmistakably indicated a wish to the contrary.")

The Lanham Act uses interchangeably the phrases "intent not to resume" and "intention to abandon" when discussing abandonment of trademarks. 15 U.S.C. §§ 1127(a), 1059. Silverman argues that § 1059 actually incorporates, and is therefore controlled by § 1127(a). On that basis, Silverman

argues that the Court should ignore the use of the phrase "intention to abandon" in § 1059.[1]

In fact, the phrase "intention to abandon" in § 1059 confirms that the authors of the Lanham Act understood "intent not to resume" to have the same meaning as "intent to abandon" as the phrase was defined by the decisions of this Court in *Saxlehner* and *Baglin*. See Petition pp. 14-15.

Silverman's argument is absurd, as shown by his explanation of how § 1059 should be read based on his theory. In his Opposition (p. 11), Silverman argues that § 1059 should be read to incorporate the definition of abandonment in § 1127(a), which excuses non-use if the:

> non-use is due to special circumstances which excuse such non-use and is not due to any intention to [discontinue use of the mark with intent not to resume]. (bracket in original)

What this phrase says, as Silverman would have the Court read it, is that non-use is excused when it is not due to any intention to discontinue use with intent not to resume. That is, Silverman creates a layer-cake statute that would find abandonment based on an intention to discontinue with intent not to resume. This double-barrelled "intention" has no basis in statutory or case law and makes no sense as a matter of language.

In summary, it is clear that the Second Circuit's decision relies on the unsupportable conclusion that the Supreme Court decisions in *Saxlehner* and *Baglin* were overruled *sub silentio* by the Lanham Act. It is also clear that this interpretation is erroneous and requires reversal of the decision below.

---

1 Silverman misquotes the statute as containing the phrase "intentional abandonment of the mark". Opposition, p. 11. The Court should not be confused by Silverman's error.

B. Silverman Has Failed To Address The Decisions In Conflict With the Decision Below

Silverman has failed completely to address the Court of Appeals cases that we cited in the Petition (p. 12) showing a conflict in the Circuits. Silverman thus has entirely failed to refute our showing that there are recent cases in the Second, Third, Fourth and Eleventh Circuits and in the Court of Customs and Patent Appeals relying on the "intent to abandon" standard that the Second Circuit rejected below.

In addition, Silverman does not deny that the Second Circuit erred in requiring "commercial" use of the trademark in the face of well-settled rules for establishing trademark rights without commercial use. *See* Petition, pp. 13-14.

It is not correct, as Silverman suggests (Opposition, p. 7), that the "intent to abandon" standard is impracticable because it would be virtually impossible to establish such an intent. First, the Lanham Act creates a *prima facie* case of such an intent from two years' non-use of a registered mark. 15 U.S.C. § 1127(a). Moreover, the very absence of any activity showing interest in a mark after cessation of use constitutes evidence of the owner's state of mind.

Conversely, intent to abandon can be disproved by conduct manifesting a continuing interest in the use of a mark. Here, the District Court recognized that CBS had shown such a continuing interest in use of the marks by the following conduct: (1) licensing of limited use of the marks; (2) periodic consideration of broader use of the mark; (3) challenging infringing uses; and (4) registering or renewing copyrights in over 100 Amos 'N' Andy radio and television programs. App. 59a-60a.

Thus, proof or disproof of intent to abandon presents no greater problem than proof of any other state of mind. Silverman's real argument is that the standard itself—intent *not* to resume use or intent to abandon—is too difficult to meet. This, however, is the statutory standard, which follows the *Saxlehner* and *Baglin* cases, that must be applied until and unless Congress removes it from the law.

C. Silverman Has Misrepresented The Second Circuit's Decision Regarding The Reasons For CBS's Suspension of Commercial Use Of The Trademarks

For the first time in this litigation, Silverman has depicted CBS's decision to suspend commercial use of the Amos 'N' Andy trademarks as a mere business decision. Opposition, pp. 12-13. This is directly contrary both to the findings of the District Court and to the language of the Court of Appeals, which did not reject any of the District Court's factual findings. Moreover, Silverman's argument is based on a misquotation of the Second Circuit's opinion.

The District Court found:

> In November 1964, CBS withdrew THE AMOS 'N' ANDY show from television syndication. It did this in response to pressure from civil rights groups, especially the N.A.A.C.P., that claimed the show presented a demeaning portrayal of blacks.
>
> * * *
>
> A significant factor in CBS's desire to keep AMOS 'N' ANDY off the market is its concern with the sensitivity of the subject matter, and its expectation of again being put in disfavor with civil rights groups.

App. 52a, 53a.

The Second Circuit, in turn, expressly recognized the point made by the District Court when the District Court concluded that CBS "succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interests of the community." App. 16a.

Thus, it is obvious that both lower courts recognized that CBS was not actuated by a low opinion of the commercial value of the trademarks, but by the dual motive of societal conscience and concern about adverse public reaction.

In his Opposition, Silverman simply changed the words of the Second Circuit in an attempt to deceive this Court. Silverman wrote:

> It was the Circuit Court's view that CBS was willing to forego whatever business opportunities might currently exist in the hope that greater opportunities would exist at some undefined time in the future.

Opposition, p. 12. What the Second Circuit actually said was:

> Instead, it [CBS] decided, *albeit for socially commendable motives*, to forgo whatever business opportunities currently exist in the hope that greater opportunities, *unaccompanied by adverse public reaction*, will exist at some undefined time in the future. (emphasis added)

App. 16a. It is obvious that Silverman simply dropped the parts of the decision below that he did not like, in order to change the import of the Second Circuit's remarks.

Despite Silverman's gross distortion of the facts, this case turns on the issue, crystallized by the District Court, of whether:

> It would be offensive to basic precepts of fairness and justice to penalize CBS, by stripping it of its trademark rights, merely because it succumbed to societal pressures and pursued a course of conduct that it reasonably believes to be in the best interest of the community.

App. 61a. In keeping with the fundamental principle that trademark law is intended to protect the public interest, the decision of the Second Circuit should be reversed.

II.

THE CONFLICT BETWEEN THE DECISION BELOW AND THE NEW YORK STATE LAW OF ABANDONMENT WAS CREATED BY THE DECISION BELOW AND CONSEQUENTLY COULD NOT HAVE BEEN RAISED BEFORE THAT DECISION

Silverman argues that CBS cannot raise the clash between the Second Circuit's decision and the law of the State of New York on this application for review because it did not raise the issue

below. This is absurd because the Second Circuit's rejection of the "intent to abandon" standard created the conflict and thus could not have been raised before the Second Circuit's decision.

Silverman does not contest the fact that the Second Circuit has now diverged from New York State law. Before the decision below, the law of abandonment under federal and state law was in accord. As the Second Circuit itself pointed out in *Saratoga Vichy Spring Co., Inc. v. Lehman*, 625 F.2d 1037, 1043 (2d Cir. 1980), both jurisdictions applied an "intent to abandon" standard.

When a Court of Appeals fails to follow controlling authority, thereby creating a conflict either with this Court, among the circuits, or with the state courts on an issue of state law, the issue obviously cannot be raised before the Court of Appeals. In such a case, no conflict exists prior to the Court of Appeals decision.

If Silverman's proposed rule of review were correct, many, if not most, conflicts among the Circuits would escape review, since the conflict would not exist prior to the Court of Appeals' decision and, necessarily, could not be raised below. Thus, Silverman's argument is fundamentally flawed.

Finally, Silverman claims that this issue should also be denied review on the factually false argument that this case was litigated solely under federal law. In support of this argument, Silverman notes only that CBS filed a counterclaim under § 43(a) of the Lanham Act. But this is merely another distortion put forth to deceive the Court.

First, Silverman's own complaint sought relief "under statutory or common law of copyright and trademark, common law unfair competition, state anti-dilution law, common law or statutory rights of privacy or publicity or any other jurisprudential theory." App. 28a. Thus, plaintiff's own complaint clearly raised issues of state law. The decision on abandonment below was rendered solely on Silverman's complaint, since CBS's trademark-related counterclaims were all dismissed as premature before the trial. App. 46a-48a, 49a n., 50a.

Second, CBS interposed claims under "common law trademark infringement and unfair competition" as well as under federal law. App. 29a.

Thus, under both Silverman's complaint and CBS's counterclaims, the state law of abandonment was an issue from the very beginning of the case. Plaintiff's argument that the case was litigated exclusively under federal law, when Silverman himself raised the issue of his rights under state law in his own complaint, is simply pretense and should be ignored.

CONCLUSION

A writ of certiorari should issue to review the judgment of the United States Court of Appeals for the Second Circuit herein.

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Respectfully submitted,

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